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No. 10-

IN THE

Supreme Court of the United States

IAC/INTERACTIVECORP, a Delaware corporation; HOME SHOPPING NETWORK, INC., a Delaware corporation; HSN LP, a Delaware limited partnership; HSN GENERAL PARTNER LLC, a Delaware limited liability company,

Petitioners,

v.

COSMETIC IDEAS, INC., a California corporation, doing business as SWEET ROMANCE JEWELRY MANUFACTURING,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

The decision below from the U.S. Court of Appeals for the Ninth Circuit, in which the court held that a party may initiate a copyright infringement action before being granted or denied a copyright registration by the U.S. Copyright Office, has widened a recognized split among several Courts of Appeals and contradicts the Copyright Office's interpretation of the same statutory authority. This Court is therefore asked to address the following question in order to resolve this split and bring uniformity to this important question of federal law:

1. Did the Ninth Circuit err in holding that a party who has filed an application to register a copyright under the Copyright Act (17 U.S.C. §§ 101 *et seq.*) may institute a civil action for copyright infringement before the U.S. Copyright Office has examined the party's pending application and either refused or granted a copyright registration?

RULE 29.6 STATEMENT

Petitioner IAC/InterActiveCorp owned Petitioner Home Shopping Network, Inc. IAC/InterActiveCorp is publicly traded under the symbol IACI. Liberty Media Corp. indirectly owns 10 percent or more of the stock of IAC/InterActiveCorp.

Petitioner Home Shopping Network, Inc. ceased doing business in August 2008, at which time it converted into HSN, LLC. Thereafter HSN, Inc. acquired certain assets and obligations from HSN, LLC. HSN, LLC remains a holding company of Petitioner IAC/InterActiveCorp. HSN, Inc. is publicly traded under the symbol HSNI. Liberty Media Corp. indirectly owns 10 percent or more of the stock of HSN, Inc.

Petitioner HSN General Partner LLC ceased doing business in August 2008, at which time certain of its assets and obligations were acquired by HSN, Inc. HSN General Partner LLC was formerly the general partner of Petitioner HSN LP.

Petitioner HSN LP is now known as HSNi, LLC. HSNi, LLC is 100% owned by HSN, Inc.

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CITATIONS FOR OPINIONS BELOW

The opinion of the U.S. Court of Appeals for the Ninth Circuit (App. 1a-21a) is reported at 606 F.3d 612 (9th Cir. 2010). The underlying decision of the district court granting the petitioners' motion to dismiss the complaint (App. 22a-23a) was not reported.

BASIS FOR JURISDICTION IN THIS COURT

The U.S. Court of Appeals for the Ninth Circuit filed its opinion on May 25, 2010. Section 1254(1) of Title 28 confers jurisdiction on this Court to review on writ of certiorari the opinion of the Court of Appeals.

STATUTORY PROVISIONS INVOLVED

17 U.S.C. § 411(a) (2010) provides:

> "Registration and civil infringement actions
>
> (a) Except for an action brought for a violation of the rights of the author under section 106A(a), and subject to the provisions of subsection (b), no civil action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title. In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights. The Register may, at his or her option, become a party to the action with respect to the issue of registrability of the copyright claim by entering an appearance within sixty days after such service, but the Register's failure to become a party shall not deprive the court of jurisdiction to determine that issue."

STATEMENT OF THE CASE

The rules governing when (or if) a party may bring a civil action under federal law comprise an area in which unwavering uniformity is demanded. One party should not enjoy greater access to the federal courts than another based solely on the jurisdiction in which a claim is brought, especially when the complaint seeks nationwide injunctive relief. Unfortunately, though, the Courts of Appeals are hopelessly divided on this question as it applies to claims that arise under the Copyright Act, impacting potential party litigants and the administration of our nation's copyright registration system.

The Copyright Act of 1976 (17 U.S.C. §§ 101 *et seq.*) restricts when a party seeking to assert a cause of action for copyright infringement may access the federal courts. Section 411(a) of the Act provides that "no civil action for infringement" may be brought until "preregistration or registration of the copyright has been made" in the U.S. Copyright Office.[1] 17 U.S.C. § 411(a). It also states, however, that if the application for registration "has been refused" by the Copyright Office, a party may still initiate an infringement action provided that the Copyright Office is properly

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[1] "Preregistration" is the process by which certain types of works can be registered in advance of first publication. *See* 17 U.S.C. § 408(f); 37 C.F.R. § 202.16. In addition, the Copyright Act exempts foreign works and claims involving "moral rights" from the registration requirement. *See* 17 U.S.C. §§ 106A(a), 411(a). None of these limited exceptions, however, are applicable here. *Accord* App. 9a, n.6.

notified of the suit and has an opportunity to join in the case as a party so that it may defend the basis for its refusal. *Id.*

This statutory language has been interpreted by the Copyright Office and by dozens of federal courts as requiring that before a party may bring a copyright infringement suit, the Copyright Office must have acted on an application to register the copyright and either allowed or refused registration. *See, e.g.*, Fees for Special Handling of Registration Claims, 74 Fed. Reg. 39900, 39901 (U.S. Copyright Office, Aug. 10, 2009) (to be codified at 37 C.F.R. Part 201) (in the context of proposing interim rules relating to its "Special Handling" program, the Copyright Office stated that, pursuant to Section 411(a), a copyright owner cannot file an infringement suit until the Office has either "registered the copyright or refused to register the copyright") (App. 92a); *see also* U.S. Copyright Office, Circular 10, p. 4 (Rev. 05/2010) (App. 89a). This is also the same interpretation that the U.S. Solicitor General's Office recently advanced before this Court. *See* Brief for the United States as Amicus Curiae Supporting Vacatur and Remand, *Reed Elsevier, Inc. v. Muchnick*, No. 08-103, 24 n.14 (June 8, 2009) (App. 53a-54a).

In the case below, however, the Ninth Circuit held that action by the U.S. Copyright Office was *not* needed before a party could bring a federal infringement case, suggesting that although Section 411(a) "could be read to mean that Congress intended registration to require acceptance or refusal by the [Copyright Office]," the Copyright Act as a whole supposedly was sufficiently ambiguous to permit the Ninth Circuit to "go beyond

the Act's plain language" when interpreting the statute. App. 13a. And in the Ninth Circuit's opinion, the result it favored, although not found in the statutory text, was warranted because it supposedly "better carries out the purpose of the statute." *Id.*

The Ninth Circuit is not alone in having interpreted Section 411(a) in a way that contravenes both the plain language of the statute and the Copyright Office's stated understanding of its own statutory authority. *See infra.* The Ninth Circuit's decision, though, has both deepened and highlighted a long-running conflict among the Courts of Appeals on the important issue of when a party may bring a copyright infringement claim in federal court.

On one hand, there are those jurisdictions (most notably the Second, Tenth, and Eleventh Circuits) that subscribe to the so-called "registration approach," which holds that Section 411(a) unambiguously requires that the Copyright Office either grant or refuse a registration before a party may bring an infringement claim. *See Vacheron & Constantin-Le Coultre Watches, Inc. v. Benrus Watch Co.*, 260 F.2d 637, 640-41 (2nd Cir. 1958)[2]; *La Resolana Architects, PA v. Clay Realtors*

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[2] Although the Second Circuit in *Vacheron* was interpreting the Copyright Act of 1909, which was the predecessor to the 1976 Act, the statutory language at issue was similar to the first sentence of current Section 411(a) in that it referred to the "registration" of the work as a prerequisite to bringing a claim for infringement. *Compare* 17 U.S.C. § 13 (1958) ("[n]o action . . . shall be maintained for infringement of copyright in any work until the provisions of this title with respect to the deposit

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Angel Fire, 416 F.3d 1195, 1198-1208 (10th Cir. 2005); *M.G.B. Homes, Inc. v. Ameron Homes, Inc.*, 903 F.2d 1486, 1488 n.4 (11th Cir. 1990). This is also the position adopted by the Copyright Office and by the Solicitor General's Office, *see* App. 89a, 53a-54a n.14 and applied in the U.S. Court of Federal Claims. *E.g.*, *Jennette v. United States*, 77 Fed. Cl. 126, 131 (2007).

On the other hand, there are those jurisdictions (best exemplified by the Ninth Circuit, but including the Fifth, Seventh, and Eighth Circuits) that favor what is known as the "application approach," under which the mere filing of a completed copyright application is considered sufficient to meet Section 411(a)'s "registration" requirement. *See* App. 6a-7a; *Apple Barrel Prods., Inc. v. Beard*, 730 F.2d 384, 386-87 (5th Cir. 1984); *Chicago Bd. of Educ. v. Substance, Inc.*, 354 F.3d 624, 631 (7th Cir. 2003); *Action Tapes, Inc. v. Mattson*, 462 F.3d 1010, 1013 (8th Cir. 2006). The courts that follow this more liberal approach argue that dispensing with the requirement for Copyright Office action before a party

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(Cont'd)

of copies and registration of such work shall have been complied with") *with* 17 U.S.C. § 411(a) (2010) ("no civil action for infringement of the copyright in any . . . work shall be instituted until . . . registration of the copyright claim has been made in accordance with this title"); *see also* H.R. Rep. No. 94-1476, at 157 (1976) (noting that "[t]he first sentence of section 411(a) restates the . . . statutory requirement [of the 1909 Act] that registration must be made before a suit for copyright infringement is instituted," and that "[t]he second and third sentences of section 411(a) would alter the present law as interpreted in *Vacheron*"), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5773.

may file an infringement suit supposedly "better fulfills Congress's purpose" in passing the Copyright Act. App. 13a-16a. These courts further claim that "[t]he registration approach's added requirement of affirmative approval or rejection before suit . . . amounts to little more than just the type of needless formality Congress generally worked to eliminate . . . ." App. 18a. The authors of a leading copyright treatise are also aligned with this broadening movement. *See* Melville B. Nimmer & David Nimmer, *Nimmer on Copyright*, § 7.16[B][1][a][i] (2008) (favoring the broader application approach and noting that "[t]he conflict between the broad and narrow approaches has been longstanding"); *but see* William F. Patry, *Patry on Copyright*, § 17:78 (2010) ("Those few courts to have permitted an action for infringement to proceed without a registration . . . were led astray by Nimmer. . . . Nimmer's view is not an interpretation of the statute: it is a flagrant disregard of the statute, its legislative history, its statutory history, in short, every evidence of Congress's intent.").

The split among the Circuits is thus both real and deep. Further, the large number of courts that have addressed this issue over the years, and the diametrically opposed positions those courts have taken and espoused, makes it unlikely that continued percolation of this issue in the courts will lead to a consensus. As a result, not only will authors and artists in several key jurisdictions continue to have fewer incentives to secure copyright registrations (depriving the nation of the benefits those registrations would bring), but certain parties will unfortunately enjoy greater access to the federal courts than others based solely on geography.

The Copyright Act, however, is intended to be a uniform, national law, and it is meant to apply equally to all citizens who are similarly situated. Further, the Act is designed to encourage, and not devalue, the early registration of copyrights. The principles of fairness and certainty thus counsel that this Court take up and clarify this important question of copyright law and resolve this ongoing conflict. The present case, where the only issue raised below was the proper interpretation of Section 411(a), *see* App. 2a, affords this Court an appropriate opportunity to address this pure question of law.

A. The Factual Background

Respondent, Cosmetic Ideas, Inc., claims to own a copyright in the design of a piece of jewelry. On March 6, 2008, it filed an application with the U.S. Copyright Office seeking to register the design as a visual work of art. App. 3a. The Copyright Office received the application on March 12, 2008. *Id.*

Cosmetic Ideas commenced an action in the U.S. District Court for the Central District of California on March 27, 2008. *Id.* In its Complaint, Cosmetic Ideas alleged that Petitioners, IAC/InteractiveCorp, Home Shopping Network, Inc., HSN General Partner LLC, a HSN LP (collectively, "HSN") had infringed the copyright rights Cosmetic Ideas claimed in the jewelry design. *See* App. 3a. At the time the Complaint was filed, however, the Copyright Office had not yet acted on Cosmetic Ideas' application and either refused or granted registration. *Id.*

B. The Proceedings Below

1. The District Court Proceedings

Shortly after all of the defendants were served in the case below, HSN moved to dismiss the Complaint on various grounds, including that the District Court lacked subject matter jurisdiction to hear the case because Cosmetic Ideas had not complied with 17 U.S.C. § 411(a). *See* App. 3a-4a. The parties briefed the issue and argument was held before the court.

Following argument, the District Court granted HSN's motion and dismissed the case. App. 22a-23a. No written decision accompanied the ruling. Cosmetic Ideas subsequently appealed the dismissal to the U.S. Court of Appeals for the Ninth Circuit.

2. The Impact of *Reed Elsevier*

The sole question presented to the Ninth Circuit on appeal was whether receipt by the Copyright Office of a copyright application constitutes "registration of the copyright claim" within the meaning of Section 411(a). *See, e.g.*, App. 2a, 5a-7a. Both parties submitted briefs on this issue and attended oral argument, which was held on October 6, 2009. App. 5a n.2.

The day after the Ninth Circuit held oral argument, this Court heard argument in *Reed Elsevier, Inc. v. Muchnik*, No. 08-103, which likewise involved a question pertaining to Section 411(a). Consequently, the Ninth Circuit stayed further proceedings in the present case until *Reed Elsevier* was decided, after which the parties

were to submit briefs on what effect (if any) this Court's decision in *Reed Elsevier* should have on the appeal. *Id.*

The Court decided *Reed Elsevier* on March 2, 2010, and the parties submitted their supplemental briefs to the Ninth Circuit shortly thereafter. In *Reed Elsevier*, however, the issue of whether what the Court termed the "registration requirement" of Section 411(a) could be satisfied by the mere filing of a completed copyright application was not before the Court. *See* 559 U.S. __; 130 S. Ct. 1237, 1241-42 (2010). Rather, the only question addressed was whether Section 411(a)'s registration requirement was jurisdictional. *Id.* at 1242.

This Court answered that question in the negative, holding that "Section 411(a)'s registration requirement is a precondition to filing a claim that does not restrict a federal court's subject-matter jurisdiction." *Id.* at 1241. The parties in the present case recognized, however, that this holding did not moot their appeal, even though the district court originally dismissed the case pursuant to Federal Rule 12(b)(1). As the Ninth Circuit noted, the lower court instead could have just as properly dismissed the complaint pursuant to Rule 12(b)(6), meaning the question of whether the submission of an application alone was sufficient to meet the registration requirement of Section 411(a) remained ripe for adjudication. *See* App. 4a-7a.

3. The Ninth Circuit's Opinion

In an opinion dated May 25, 2010, the Ninth Circuit vacated and reversed the decision of the district court, holding that "receipt by the Copyright Office of a complete application satisfies the registration requirement of § 411(a)." App. 20a. The court arrived at this interpretation of Section 411(a), however, in a somewhat unusual way.

Although the court began its analysis by ostensibly considering the plain language of the statute, it immediately dismissed the text of Section 411(a) and the definitional language of Section 101[3] as providing "no guidance" as to the meaning of "registration." App. 9a. At no point, though, did the court explain *why* the term "registration" was supposedly unclear in the first place. *See* App. 9a-13a.

Nonetheless, having declared the need for "guidance" as to what Congress meant by use of the word "registration," the Ninth Circuit looked for it within the Copyright Act "as a whole" and identified four sections as possibly shedding light on the meaning of Section 411(a). App. 10a-13a. The court acknowledged, however, that three of those sections (namely, Sections 410(a) and 410(d) and, most important, the second sentence of Section 411(a)) supported the view that "registration of [a] copyright claim" requires "some affirmative steps

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[3] Section 101 provides that "'Registration', for purposes of sections 205(c)(2), 405, 406, 410(d), 411, 412, and 506(e), means a registration of a claim in the original or the renewed and extended term of copyright." 17 U.S.C. § 101.

to be taken by the Copyright Office," and is not achieved merely upon the filing of a completed application. *See id.* The only section supposedly not in accord was Section 408(a), which provides that a party "may obtain registration" by delivering certain items to the Copyright Office, including "the application and fee," 17 U.S.C. § 408(a), and is followed later in the Act by the above-mentioned Section 410(a), which specifies that the role of the Copyright Office is to determine *if* a claim will be registered. *See* 17 U.S.C. § 410(a).

The Ninth Circuit, however, interpreted Section 408(a) as "impl[ying] that *the sole requirement* for obtaining registration is delivery of the appropriate documents and fee," notwithstanding the presence of Section 410(a). App. 11a-13a (emphasis added). As a result, the court felt that the various sections of the Act were in conflict with one another and it was "not persuaded that the plain language of the Act unequivocally supports either the registration or application approach." App. 13a. Instead, the Ninth Circuit believed there was "ambiguity" in the statutory text as to the meaning of "registration," thereby permitting the court to "go beyond the Act's plain language to determine which approach better carries out the purpose of the statute." *Id.*

Unconstrained by the statutory language, the Ninth Circuit then examined the history of the Copyright Act, noting the trend toward the liberalization of the copyright laws and concluding that the application approach was preferred because it "better fulfills" what the court presumed was Congress's purpose in passing the 1976 Act. *See* App. 13a-17a. The Ninth Circuit's

primary reason for favoring the application approach was because it supposedly "avoids unnecessary delay" in infringement actions, whereas the need for a party to await Copyright Office action before filing suit was seen as a "needless formality." App. 16a-18a. The court rejected as "unpersuasive" the argument that Congress structured Section 411(a) as written so as to ensure that courts would have the benefit of being able to consider Copyright Office action on an application, describing the "Register's decision of whether or not to grant a registration certificate" as being "largely perfunctory." App. 19a-20a.

Recognizing that the Ninth Circuit's decision is in error and exacerbates a conflict among the Circuits, Petitioners respectfully petition this Court to review the decision on a writ of certiorari.

REASONS FOR GRANTING THE PETITION

The Ninth Circuit's decision exacerbates a long-running split among the Circuits on an important question of law and threatens to impede the ability of the Copyright Office to perform its role as the administrator of the nation's copyright registration system. Further, the decision is inconsistent with the Government's interpretation of the same statutory authority and was driven by misguided considerations of public policy. The decision below should therefore be reviewed by this Court.

I.

The Ninth Circuit's Decision Has Admittedly Widened the Conflict Among the Courts of Appeals as to the Proper Interpretation of Section 411(a)

By adopting the "application approach," the Ninth Circuit has joined the Fifth, Seventh, and Eighth Circuits in rejecting the "registration approach" favored by the Second, Tenth, and Eleventh Circuits, as well as by the U.S. Copyright Office and by the Court of Federal Claims. In its published decision, the Ninth Circuit even went so far as to acknowledge this widening split among the Courts of Appeals:

> [W]e are asked to answer the question: What does it mean to "register" a copyrighted work? . . . [I]s a copyright registered at the time the copyright holder's application is received by the Copyright Office (the

> "application approach"), or at the time that the Office acts on the application and issues a certificate of registration (the "registration approach")? **Our sister circuits have split in answering this question.** For instance, the Fifth and Seventh Circuits have adopted the application approach. The Tenth and Eleventh Circuits have adopted the registration approach.

App. 6a-7a (notes and cites omitted) (emphasis added)[4]; *see also, e.g.*, David Carson, General Counsel, U.S. Copyright Office, "The Copyright Office Comes to California," Speech to the State Bar of California (Feb. 3, 2010) (identifying Section 411(a) as "an issue on which the courts are split") (App. 77a-78a).

The basic nature of this Circuit schism makes it unlikely that it can be resolved without intervention by this Court. Each side in the debate believes strongly that its interpretation of Section 411(a) is proper. There is no possible middle ground.

The views of the courts that have adopted the registration approach are best exemplified by the Tenth Circuit's decision in *La Resolana*. In short, those courts believe that Section 411(a) means what it says—namely, that a copyright infringement action cannot be initiated until "registration of the copyright claim has been made" in the Copyright Office or "registration [of the

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[4] The Ninth Circuit further noted that "[t]he district courts are also split, sometimes even within the same circuit." App. 6a-7a, n.4 (citing lower court cases showing judicial split).

work] has been refused." 416 F.3d at 1202 ("Courts employing the Registration approach interpret the Act using the plain language of Title 17, as we have done. We are in good company. Indeed, even well before the 1976 Act, Judge Learned Hand concluded that the plain language of Title 17 allows copyright owners to sue for infringement only after a copyright is actually registered by the Copyright Office. A number of courts have found this approach the better reading of the Act.") (citing *Vacheron*, 260 F.2d at 640-41 (Hand, J.); *M.G.B. Homes*, 903 F.2d at 1488).

Most commentators agree that this interpretation of Section 411(a) is compelled by the plain language of the statute. *See, e.g.*, Patry, § 17:78 ("[I]t is inaccurate to say there are two schools of *interpretation* on Section 411(a): there is only one, the plain meaning approach which requires actual registration or a refusal. [The application approach] is not an interpretation of the statute: it is a flagrant disregard of the statute . . . .") (emphasis in original); Howard B. Abrams, *Law of Copyrights*, § 10:8.40 (2009) ("The arguments for the registration approach are compelling. [S]ection 411(a)[ ] . . . cannot be read as stating that an application alone is sufficient without seriously distorting the language."). Further, this is the construction adopted by the Government, both in the operation of the Copyright Office, *see* App. 92a n.2, and in the arguments the Solicitor General's Office recently made to the Court:

> Section 411(a) requires the plaintiff to possess a registration certificate, to have been refused registration, or to have preregistered, at the time the suit is commenced. Although some

> courts have held that Section 411(a)'s precondition to suit is satisfied by simply filing an application for registration, those decisions are contrary to Section 411(a)'s plain text, and are therefore incorrect. Section 411(a) unambiguously states that registration must have been "made in accordance with this title" —*i.e.*, granted by the Copyright Office— before a suit may be filed. And although Section 411(a) allows the putative copyright owner to sue even if his registration application is denied, the statute clearly contemplates that the plaintiff will commence the suit only after the Copyright Office has acted on the application.

App. 53a-54a n.14 (cites omitted). The Government has also advanced that this interpretation of Section 411(a) supports sound public policy, pointing out that if a district court were to hear the merits of an infringement suit while a plaintiff's application was still pending before the Copyright Office, "the court would be deprived of the Register [of Copyright's] views on such issues as copyrightability." *Id.*

On the other side of the debate lies the Ninth Circuit, which has joined with the Fifth, Seventh, and Eight Circuits in advocating the application approach. These courts believe that when viewed in the context of the Copyright Act as a whole, the language of Section 411(a) is "unclear," even though they admit that if Section 411(a) is read in isolation, it "could be read to mean that Congress intended registration to require acceptance or refusal by the Register, not mere delivery." App. 11a.

These courts, however, do not consider themselves bound by the literal wording of the subsection. Instead, they interpret the meaning of "registration" in Section 411(a) by "looking to the broader context of the statute as a whole and the purpose of the statute," starting with the history of the Act. App. 13a-14a (quote omitted). Recognizing that the historical trend of amendments to the Copyright Act has been toward the greater liberalization of rights, these courts believe that giving Section 411(a) a more liberal interpretation "better fulfills Congress's purpose of providing broad copyright protection while maintaining a robust federal register." App. 16a. In support of this position, they additionally argue that "[t]he registration approach's added requirement of affirmative approval or rejection before suit . . . amounts to little more than just the type of needless formality Congress generally worked to eliminate in the 1976 Act." App. 18a.

The courts that subscribe to the application approach also take a diametrically different view on the importance of the Copyright Office's evaluation of a work's registrability. Whereas "registration" courts see the Copyright Office's input as valuable and believe that the registration requirement of Section 411(a) was structured to ensure that courts could consider the Copyright Office's views on registrability, "application" courts severely discount that benefit, as the Ninth Circuit made clear:

> [W]e find unpersuasive the argument that deference to the Register [of Copyrights] requires adoption of the registration approach. . . . [T]he Register's decision of

> whether or not to grant a registration certificate is largely perfunctory, and is ultimately reviewable by the courts. There is, therefore, no compelling justification for delaying litigation until after the Register has acted on an application.

App. 19a-20a (note omitted); *but see* H.R. Rep. No. 100-609, at 41-42 (1988) (when Congress considered altering or repealing Section 411(a) in 1988, the House committee came out in favor of retaining the section, noting that "registration promotes efficient litigation practices" and "assists the courts in resolving the underlying copyright dispute," and further observed that the Judicial Conference of the United States had "advise[d] the Committee that if the requirement of registration as a prerequisite to suit were eliminated, there would likely be increased difficulty in trying copyright cases"); *see also* App. 52a-53a (the Government argued in *Reed Elsevier* that Congress "intended the Register's expertise to serve as a resource to courts adjudicating the copyright claims and contemplated an active role for the Register in certain infringement suits").

The positions of the two camps thus cannot be reconciled. In addition, there is little prospect for legislative intervention. Congress has twice before taken up and rejected proposals to change Section 411(a) to permit the filing of a suit based only on an application. *See La Resolana*, 416 F.3d at 1205-6 (discussing the proposed amendments in 1988 and 1993 and citing reports). It is therefore not likely that Congress will ever see the need to "clarify" language it

was twice unwilling to change, especially given the Government's position that the statutory text of Section 411(a) is already clear on its face.

This conflict among the Circuits thus can only be resolved by this Court. The question of the proper meaning to be ascribed to Section 411(a) affects not only the fundamental right of when citizens may access the federal courts, but also the nation's copyright registration system and the operation of the government agency charged with maintaining and administering it, thus making Section 411(a) an issue of national importance. *Accord* App. 51a-54a (setting out what the Government considers to be the "important public and judicial interests" served by the registration requirement). Congress intended there to be "national uniformity in . . . [the] copyright laws," *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 231 n.7 (1964), and circuit splits on copyright matters are seen as "particularly troublesome." *Silvers v. Sony Pictures Entertainment, Inc.* 402 F.3d 881, 890 (9th Cir. 2005). Review is therefore respectfully sought to clarify which of the two conflicting interpretations of Section 411(a) should be followed nationwide.

II.

The U.S. Government Should be Heard on an Issue That Will Significantly Impact the Role of the U.S. Copyright Office

Although the United States is not a party to this case, the decision below will have a significant impact on the operation of one its agencies, the U.S. Copyright Office. The Government should therefore have an opportunity to address the propriety of the interpretation of Section 411(a) that now applies throughout the Ninth Circuit. Review of this case would provide the Government with that chance.

As noted above, the Copyright Office and the Solicitor General's Office have both interpreted Section 411(a) as requiring action by the Office before a party may bring a copyright infringement claim. *See* App. 92a n.2, 53a-54a n.14. The Government has further suggested that under this interpretation the registration requirement of Section 411(a) serves "broad systemic purposes" that are at the heart of our copyright system. App. 51a-53a; *see also* App. 54a-56a (referring to the "important public and judicial interests" served by the registration requirement).

For example, the registration approach encourages the registration of copyrightable works, which, as the Government has noted, advances several important public interests "beyond protecting the interests of the parties in an individual suit." App. 51a. These include "providing the Library of Congress with an important source of its acquisitions" and "enabl[ing] the Copyright

Office to compile a record of copyrighted works, which serves as a valuable resource for those seeking to use copyrighted works lawfully."[5] *Id.*; *accord* Carson, App. 71a-72a. The Government has also maintained that Section 411(a)'s requirement that the Copyright Office have an opportunity to assess the purported validity of the copyright claimed in a particular work before a party may bring an infringement action is important because it "ensures that the court in [the] infringement suit can consider the Copyright Office's judgment as to the copyrightability of the work" and "may sometimes obviate the need for the court to rule on infringement claims at all, since a potential plaintiff whose registration application is denied by the Copyright Office may forgo suit rather than challenge the Register's determination." App. 52a; *accord* H.R. Rep. No. 100-609, at 41-42.

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[5] The Ninth Circuit agreed that a "pre-litigation registration requirement act[s] as an incentive to help Congress maintain a robust national register of copyright," *see* App. 17a (citing H.R. Rep. No. 94-1476, at 158), but went on to suggest (without citing any support) that "[t]his goal . . . is accomplished equally by the registration and application approaches. . . ." *Id.* In so doing, however, the court overlooked that under the registration approach, a putative plaintiff will usually apply to register a work *before approaching* an alleged infringer in settlement discussions (otherwise the party could not effectively threaten suit), whereas under the application approach the same party could delay filing an application until it is certain a lawsuit must be filed. The registration approach therefore leads to more applications being submitted to the Copyright Office, especially given that many allegations of infringement are settled (or withdrawn) before a complaint needs to be filed.

Moreover, adherence to the registration approach helps maintain uniformity among the courts with respect to substantive copyright law, particularly regarding what constitutes copyrightable subject matter. As the Government has recognized, Section 411(a) "contemplates active participation by the Copyright Office in certain infringement suits following its registration decision," including when "the plaintiff files suit after his registration application has been denied," thereby permitting the Office to defend the basis for the challenged refusal. App. 52a; *see also* 17 U.S.C. § 411(a) ("In any case . . . where . . . registration has been refused, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights. The Register may, at his or her option, become a party to the action with respect to the issue of registrability of the copyright claim . . . ."). Under the application approach, however, a copyright owner may initiate an infringement action even before the Copyright Office reviews an application, and the party is under no obligation to provide the Office with notice that it is continuing the litigation notwithstanding the Office's later issuance of an adverse decision on copyrightability. As a result, the Copyright Office is denied an opportunity to be heard as to the merits of the refusal, thereby restricting its ability to help maintain uniformity on important issues such as what constitutes copyrightable subject matter.

The registration approach thus advances several important public policy objectives and improves the overall copyright registration system, for which the Government acknowledges it "has significant responsibilities" and from which the country "derives

important benefits . . ." App. 27a. With the Fifth, Seventh, Eighth, and Ninth Circuits all now subscribing to the application approach, however, *approximately 45 percent* of the U.S. population[6] is operating under an interpretation of Section 411(a) that runs counter to those objectives and goals.

The Government should therefore be afforded an opportunity to defend its position and its policies concerning Section 411(a) before the decision below affects copyright registration practice throughout the Ninth Circuit, which is one of the most fertile regions for new copyrightable works. The limited subject matter and simple fact pattern of the present case make it an appropriate one in which to hear the Government's views. Moreover, given how rarely Section 411(a) cases tend to arise on appeal,[7] and further considering that many Circuits have already offered their interpretation of Section 411(a), this may be the last opportunity the Government has for some time to weigh in with its views on this issue.

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[6] *See* "Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2000 to July 1, 2009," U.S. Census Bureau (NST-EST2009-01) (http://www.census.gov/popest/states/NST-ann-est.html).

[7] As the Ninth Circuit noted, once the Copyright Office issues (or rejects) a copyright registration, a plaintiff may bring an infringement action even if the plaintiff's original case was dismissed pursuant to Section 411(a) for failing to satisfy the registration requirement. App. 8a. As a consequence, dismissals ordinarily are not appealed because the plaintiff will usually just expedite the disposition of its copyright application, *see* App. 13a-21a, and bring a new action. When cases are appealed, it is usually only because of potential statute of limitation issues. *See* 17 U.S.C. § 507; App. 18a-19a.

Review by this Court would therefore not only resolve the Circuit conflict, it would also provide the Government with a forum in which to state its views as to the proper scope of Section 411(a). In the alternative, Petitioners submit that the views of the Government as to whether a petition for certiorari should be granted in this case should be solicited, ensuring the Government has a voice in a proceeding where the decision will impact one of its agencies.

III.

The Ninth Circuit's Decision Contradicts the Plain Language of Section 411(a) and Rests on Flawed Policy Arguments

The Ninth Circuit's interpretation of Section 411(a) is fundamentally at odds with the plain language of the statute. Further, although it was driven by the court's desire to "fix" the copyright law, the Ninth Circuit's decision will create an unwieldy system and increase the number of meritless litigations. Thus, independent of the merits of resolving the split among the Circuits as to the proper interpretation of Section 411(a) and the impact the decision below will have on the role of the Copyright Office, the Ninth Circuit's decision should be reviewed because it is legally erroneous and will lead to impractical results.

This Court has stressed that when "the statute's language is plain, the sole function of the courts is to enforce it according to its terms." *E.g., United States v. Ron Pair Enterprises, Inc.*, 489 U.S. 235 (1989) (quote omitted). The responsibility of rewriting a

statute to achieve a supposedly better policy outcome "is a task for Congress, not the courts." *Hartford Underwriters Ins. Co. v. Union Planters Bank, N. A.*, 530 U.S. 1, 13-14 (2000); *see also Brogan v. United States*, 522 U.S. 398, 408 (1998) ("[c]ourts may not create their own limitations on legislation, no matter how alluring the policy arguments for doing so"). Notably, though, Congress has repeatedly *refused* to amend Section 411(a) to eliminate the need for a party to secure a registration before bringing an infringement action. *See generally La Resolana*, 416 F.3d at 1205-07 (discussing rejected amendments).

Nonetheless, the Ninth Circuit managed to sidestep the plain meaning of Section 411(a) by labeling it as "ambiguous," freeing the court to "go beyond the [Copyright] Act's plain language to determine"—in the view of the Ninth Circuit—"which approach better carries out the purpose of the statute." App. 9a-13a. But as the Copyright Office, the Government, and other sources have all confirmed, there is nothing "ambiguous" in Section 411(a) at all: the only ambiguity is that which has been introduced by the Ninth Circuit and other courts that have sought to change the statute on public policy grounds. *See, e.g.*, App. 92a n.2, 53a-54a n.14; Patry, § 17:78; Abrams, § 10:8.40; *La Resolana*, 416 F.3d at 1202.

Section 411(a) provides that except in certain limited cases not applicable here, *see* n.1, *supra*, "no civil action for infringement of the copyright in any United States work shall be instituted until . . . *registration of the copyright claims has been made* in accordance with this title." 17 U.S.C. § 411(a) (emphasis added). That clear

command is then followed by an important exception: "In any case . . . where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form *and registration has been refused*, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights." *Id.* (emphasis added). This permits the Register to "become a party to the action with respect to the issue of registrability of the copyright claim" and defend the refusal. *Id.*

In its decision, the Ninth Circuit seemed to recognize that because Section 411(a) affords a party the right to proceed with a copyright infringement action either when "registration of the copyright claims has been made" *or* when "registration has been refused," the mere filing of an application is insufficient. *See* App. 9a-11a; *accord, e.g.*, Abrams, § 10:8.40 ("[S]ection 411(a)[ ] . . . cannot be read as stating that an application alone is sufficient without seriously distorting the language. Congress used the word registration, not application."). After all, if the first sentence of Section 411(a) is satisfied by just the filing of an application, it would make the second sentence—which addresses how a party may proceed in the event his or her application is *refused*—superfluous, which result is disfavored under long-accepted cannons of statutory construction. *Cf., e.g., Mackey v. Lanier Collection Agency & Service, Inc.*, 486 U.S. 825, 837 (1988) ("[W]e are hesitant to adopt an interpretation of a congressional enactment which renders superfluous another portion of that same law").

The Ninth Circuit, however, did not address how its adoption of the application approach could possibly be reconciled with the second sentence of Section 411(a). Instead, like other application courts, the Ninth Circuit circumvented the statutory language by looking instead to "[o]ther sections of the Act" that supposedly "cast doubt" on the plain meaning of Section 411(a). *See* App. 11a-13a (considering Sections 408 and 410). None of those other sections, however, trump the clear command of Section 411(a) or explain how the application approach can be reconciled with the second sentence of Section 411(a). *Cf., e.g., La Resolana*, 416 F.3d at 1203, 1204-5; Patry, § 17:78 (arguing that because Section 411(a) is already clear, attempts to "interpret" it by relying on other sections are meant "not to illuminate the meaning and purpose of section 411(a), but to subvert it"); Carson, App. 78a ("some courts have actually said [an application is sufficient to satisfy Section 411(a).] [o]ther courts actually read the statute and say . . . registration has to . . . be made.")

Finally, although the impetus for the Ninth Circuit's liberalization of Section 411(a) purportedly rested with the court's desire to correct what it regarded as a flaw in the Copyright Act, *see* App. 16a-21a, adoption of the application approach will not achieve the benefits the court describes. Thus, even if the appellate court could properly be in the business of setting national copyright policy, it is promoting a scheme that will lead to adverse consequences.

To begin with, and as noted previously, *see* n.5, *supra*, there is no support for the Ninth Circuit's contention that the application approach will "fully accomplish[ ] the central purpose of registration—the compilation of a robust national register of existing copyrights." *See* App. 16a-21a. To the contrary, one would expect that long term, the application approach would lead to a *reduction* in copyright filings. That, in turn, would weaken the national registration system. *See* App. 51a; Carson, App. 70a-71a.

There is also no support for the Ninth Circuit's concern that the registration approach supposedly causes "unnecessary delay in copyright infringement litigation" and could "cause a party to lose its ability to sue" because of statute of limitation issues. *Cf.* App. 16a-18a. At no point in its analysis did the Ninth Circuit consider or appreciate that the Copyright Office has for years offered a service known as "Special Handling," which was specifically created to expedite Office action when an applicant is contemplating filing a lawsuit or otherwise needs prompt action. *See, e.g.*, App. 92a, 8a-21a.[8] In fact, although it cannot guarantee applicants how soon it will issue (or refuse to issue) a copyright registration once a request for special handling has been made, the Copyright Office promises that "every attempt is made to process [a special handling] claim within ***five*** *working days*." App. 81a, 92a, (emphasis

[8] Although the Copyright Office's "Special Handling" service was brought to the Ninth Circuit's attention during briefing on the appeal and again during oral argument, the court never once referred to it in its written decision.

added). Thus the Ninth Circuit's concern about intractable "delay"—which animated much of the court's analysis; *see* App. 16a-21a—was unfounded and did not justify the court's departure from the plain language of the statutory text on public policy grounds.

Lastly, the Ninth Circuit's belief that the application approach improves "judicial economy" is based on an overly simplistic view of litigation. To be sure, while adoption of the application approach would eliminate the need for defendants to move to dismiss cases that plaintiffs improperly file before their copyrights are registered (or refused), *see* App. 18a, one would expect that if courts were consistent in affirming that Section 411(a)'s registration requirement is not satisfied merely upon the filing of an application, plaintiffs would quickly learn to stop bringing infringement cases prematurely. Also, the Ninth Circuit failed to appreciate that the registration requirement helps *deter* many frivolous filings given that, as the Government pointed out, "a potential plaintiff whose registration application is denied by the Copyright Office may forgo suit rather than challenge the Register's determination." App. 52a.

More fundamentally, though, the Ninth Circuit did not recognize or acknowledge the procedural chaos its ruling invites. Because critical presumptions are afforded a copyright plaintiff once a registration issues, *see* 17 U.S.C. § 410(c), a judicial scheme in which those presumptions may (or may not) attach *in the middle of an ongoing litigation* can disrupt motions practice, encourage preemptive filings before presumptions

attach, and threaten the law of the case.[9] The Ninth Circuit, however, failed to take any of these potential consequences into consideration when unilaterally deciding (without any input from the Copyright Office, copyright practitioners, interest groups, or the legislative branch) that "registration approval by the Copyright Office and an underlying infringement case in the courts – can occur simultaneously with little or no prejudice to any involved parties." *See* App. 20a.

Petitioners submit that the registration requirement of Section 411(a) strikes the proper balance between affording copyright owners access to the courts and promoting the health of the nation's copyright

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[9] Consider for example a motion for summary judgment brought by a defendant on the issue of authorship. Without the presumptions of Section 410(c), the burden is on the plaintiff to prove who authored a work, a task that can sometimes be difficult, especially with the passage of time. *Accord* App. 20a n.14. Once the registration issues, however, the burden shifts to the defendant to *disprove* authorship, meaning an early ruling by a court in favor of the defendant on the issue of authorship as pertains to an unregistered work could be called into question by the Copyright Office's later issuance of a registration, at which point the statutory presumptions of Section 410(c) would then attach. *See* 17 U.S.C. § 410(c); Nimmer, § 12.11. Of course, a court could avoid this problem by deferring any decision until the Copyright Office has acted on a pending application, but that would defeat the Ninth Circuit's entire rationale for adopting the application approach. *Cf.* App. 16a-21a. Notably, the registration approach avoids these pitfalls by providing that the Copyright Office must act on an application before a suit may be filed, *see* 17 U.S.C. § 411(a), meaning the parties will know from the very start which presumptions (if any) will be afforded the plaintiff during litigation.

registration system. It encourages early copyright filings, facilitates orderly litigation in copyright infringement matters, and furthers the mission of the Copyright Office to build and maintain a robust copyright register, all while permitting parties who delayed seeking to register a work with the ability to obtain expedited review by the Copyright Office and to initiate an infringement suit even if registration is refused. When Congress passed the Copyright Act of 1976, and later twice refused to change Section 411(a), they got it right. The Ninth Circuit should not be permitted to abrogate the plain meaning of Section 411(a) in furtherance of what it perceives to be public policy grounds. The decision below should therefore be reviewed by this Court and reversed.

CONCLUSION

For the reasons stated above, the petition for a writ of certiorari should be granted.

Respectfully submitted,

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APPENDIX

APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT FILED MAY 25, 2010

UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

No. 08-56079

COSMETIC IDEAS, INC., a California corporation, doing business as SWEET ROMANCE JEWELRY MANUFACTURING,

Plaintiff-Appellant,

v.

IAC/INTERACTIVECORP, a Delaware corporation; HOME SHOPPING NETWORK, INC., a Delaware corporation; HSN LP, a Delaware limited partnership; HSN GENERAL PARTNER LLC, a Delaware limited liability company,

Defendants-Appellees.

April 27, 2010, Resubmitted, Pasadena, California
May 25, 2010, Filed

Appendix A

JUDGES: Before: Andrew J. Kleinfeld and Richard C. Tallman, Circuit Judges, and David G. Trager,* District Judge. Opinion by Judge Trager.

OPINION BY: David G. Trager

OPINION

TRAGER, District Judge:

Plaintiff-Appellant Cosmetic Ideas, Inc. ("Cosmetic") appeals the decision of the United States District Court for the Central District of California ("district court") dismissing its claims against Defendants-Appellees IAC/InteractiveCorp, Home Shopping Network, Inc., HSN LP, and HSN General Partner LLC (collectively, "HSN") for lack of subject-matter jurisdiction. The district court determined that Cosmetic failed to comply with the registration requirement of 17 U.S.C. § 411(a), which makes registration of a copyright a prerequisite to bringing an infringement suit, then concluded that lack of registration deprived it of jurisdiction. Cosmetic contends that it complied with § 411(a), because it submitted a completed registration application to the Copyright Office before instituting its infringement action. HSN argues that registration occurs only after the Copyright Office has affirmatively granted a registration.

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* The Honorable David G. Trager, United States District Judge for the Eastern District of New York, sitting by designation.

Appendix A

Background

(1)

In 1997, Cosmetic, doing business as Sweet Romance Jewelry Manufacturing, created a piece of costume jewelry known as the "Lady Caroline Lorgnette" ("the necklace"). Cosmetic began manufacturing and selling copies of the necklace in 1999, and continues to manufacture and sell copies through various stores and websites. Cosmetic claims that sometime between 2005 and 2008, HSN began manufacturing and distributing copies of a "virtually identical" necklace.

On March 6, 2008, Cosmetic submitted an application to the Copyright Office for registration of its copyright in the necklace, and received confirmation of receipt of the application on March 12, 2008. On March 27, 2008, Cosmetic filed a complaint alleging that HSN had infringed on Cosmetic's copyright in the necklace. Although the Copyright Office ultimately issued Cosmetic a registration certificate for its copyright in the necklace, it did not do so before Cosmetic filed its complaint.[1]

On June 2, 2008, HSN filed a motion to dismiss for failure to state a claim and lack of subject-matter

1. At oral argument and in supplemental briefing, Cosmetic confirmed that it has now received a registration certificate and has filed a new infringement action against HSN, which has been stayed pending the outcome of this appeal. *See Cosmetic Ideas, Inc. v. HSN, Inc.*, CV-09-01215 (R) (RZx), Doc. No. 29 (C.D. Cal. May 18, 2009).

jurisdiction. HSN argued that Cosmetic did not possess a valid copyright registration when it commenced its action, and thus the court lacked subject-matter jurisdiction over the claim of copyright infringement. On June 17, 2008, the district court granted the motion to dismiss on the basis that it lacked subject-matter jurisdiction. Cosmetic timely appealed.

We have jurisdiction pursuant to 28 U.S.C. § 1291, and we reverse.

(2)

The district court's dismissal for lack of subject-matter jurisdiction is reviewed de novo. *Rattlesnake Coal v. U.S. EPA*, 509 F.3d 1095, 1100 (9th Cir. 2007). In this case, the district court's decision to dismiss was necessarily—though without discussion—based on its interpretation of the Copyright Act, 17 U.S.C. § 101 *et seq.* (2006). Questions of statutory interpretation are reviewed de novo. *Mollison v. United States*, 568 F.3d 1073, 1075 (9th Cir. 2009).

Discussion

(1)

We first address HSN's argument that § 411(a)'s registration requirement—which mandates that a copyrighted work be registered before an infringement action can be brought— is a jurisdictional prerequisite to suit. In *Reed Elsevier, Inc. v. Muchnick*, __U.S. __,

130 S. Ct. 1237, 176 L. Ed. 2d 18 (2010), the Supreme Court held otherwise.[2] Specifically, *Reed Elsevier* held that, although "[s]ection 411(a)'s registration requirement is a pre-condition to filing a claim," it "does not restrict a federal court's subject-matter jurisdiction." 130 S. Ct. at 1241. Therefore, the district court's dismissal of Cosmetic's complaint on the basis of lack of subject-matter jurisdiction—which must have been predicated on a conclusion that Cosmetic had not registered its copyright—was error.

(2)

However, this conclusion does not end our inquiry, as the district court still may have correctly dismissed the suit on another basis. This court "may affirm the district court on any ground supported by the record, even if the ground is not relied on by the district court." *Charley's Taxi Radio Dispatch Corp. v. SIDA of Hawaii, Inc.*, 810 F.2d 869, 874 (9th Cir. 1987). Below, HSN moved to dismiss the complaint for failure to state a claim, pursuant to Federal Rule of Civil Procedure 12(b)(6). Specifically, HSN argued that Cosmetic failed to register the necklace, and *post-Reed Elsevier*, registration is an element of an infringement claim, rather than a jurisdictional bar.

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2. *Reed Elsevier* was pending before the Supreme Court at the time of the October 6, 2009 oral argument in this case. Submission was withdrawn on October 19, 2009, pending the Supreme Court's opinion. *Reed Elsevier* was handed down on March 2, 2010, and the parties have both filed briefs at this Court's direction discussing the effect of that case here. This case was resubmitted for decision on April 27, 2010.

Thus, we are asked to answer the question: What does it mean to "register" a copyrighted work? Stated another way, is a copyright registered at the time the copyright holder's application is received by the Copyright Office (the "application approach"), or at the time that the Office acts on the application and issues a certificate of registration (the "registration approach")?[3] Our sister circuits have split in answering this question.[4] For instance, the Fifth and Seventh

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3. The Tenth Circuit appears to have coined the terms "application approach" and "registration approach" in describing the two schools of thought. *See La Resolana Architects, PA v. Clay Realtors Angel Fire*, 416 F.3d 1195, 1202-04 (10th Cir. 2005), *abrogated in part by Reed Elsevier*, 130 S. Ct. at 1243 & n.2.

4. The district courts are also split, sometimes even within the same circuit. District courts adopting the application approach include: *Tri-Mktg., Inc. v. Mainstream Mktg. Servs., Inc.*, No. CV-09-13, 2009 U.S. Dist. LEXIS 42694, 2009 WL 1408741, at *3 (D. Minn. May 19, 2009); *Precision Automation, Inc. v. Technical Servs., Inc.*, 628 F. Supp. 2d 1244, 1248 (D. Or. 2008); *Prunte v. Universal Music Group*, 484 F. Supp. 2d 32, 39-40 (D.D.C. 2007); *Phoenix Renovation Corp. v. Rodriguez*, 403 F. Supp. 2d 510, 514-15 (E.D. Va. 2005); *Iconbazaar, L.L.C. v. America Online, Inc.*, 308 F. Supp. 2d 630, 633-34 (M.D.N.C. 2004); *Foraste v. Brown Univ.*, 248 F. Supp. 2d 71, 77-78 (D.R.I. 2003); *Well-Made Toy Mfg. Corp. v. Goffa Int'l Corp.*, 210 F. Supp. 2d 147, 157 (E.D.N.Y. 2002), aff'd, 354 F.3d 112 (2d Cir. 2003); *Dielsi v. Falk*, 916 F. Supp. 985, 994 n.6 (C.D. Cal. 1996); *Havens v. Time Warner, Inc.*, 896 F. Supp. 141, 142-43 (S.D.N.Y. 1995); *Sebastian Int'l, Inc. v. Consumer Contact (PTY) Ltd.*, 664 F. Supp. 909, 912 (D.N.J. 1987), *vacated on other grounds*, 847 F.2d 1093 (3d. Cir. 1988).

(Cont'd)

Circuits have adopted the application approach. *Apple Barrel Prods., Inc. v. Beard*, 730 F.2d 384, 386-87 (5th Cir. 1984); *Chicago Bd. of Educ. v. Substance, Inc.*, 354 F.3d 624, 631 (7th Cir. 2003). The Tenth and Eleventh Circuits have adopted the registration approach. *La Resolana*, 416 F.3d at 1202-04; *M.G.B. Homes, Inc. v. Ameron Homes, Inc.*, 903 F.2d 1486, 1489 (11th Cir. 1990), *abrogated in part by Reed Elsevier*, 130 S. Ct. at 1243 & n.2.

Many of these cases have been abrogated, in part, by the Supreme Court's decision in *Reed Elsevier*, 130 S. Ct. at 1243 & n.2.

(Cont'd)

District courts that adhere to the registration approach include: *Specific Software Solutions, LLC v. Inst. of Workcomp Advisors*, 615 F. Supp. 2d 708, 715-16 (M.D. Tenn. 2009); *Just Water Heaters, Inc. v. Affordable Water Heaters and Plumbing, Inc.*, No. C-05-4996, 2006 U.S. Dist. LEXIS 9006, 2006 WL 449136, at *3 (N.D. Cal. Feb. 23, 2006); *Mays & Assocs., Inc. v. Euler*, 370 F. Supp. 2d 362, 370 (D. Md. 2005); *Corbis Corp. v. Amazon.com, Inc.*, 351 F. Supp. 2d 1090, 1112 (W.D. Wash. 2004); *Loree Rodkin Mgmt. Corp. v. Ross-Simons, Inc.*, 315 F. Supp. 2d 1053, 1056-57 (C.D. Cal. 2004); *Corbis Corp. v. UGO Networks, Inc.*, 322 F. Supp. 2d 520, 521-22 (S.D.N.Y. 2004); *Strategy Source, Inc. v. Lee*, 233 F. Supp. 2d 1, 3-4 (D.D.C. 2002); *Brush Creek Media, Inc. v. Boujaklian*, No. C-02-3491, 2002 U.S. Dist. LEXIS 15321, 2002 WL 1906620, at *4 (N.D. Cal. Aug. 19, 2002); *Gerig v. Krause Publ'ns, Inc.*, 33 F. Supp. 2d 1304, 1306 (D. Kan. 1999); *Ryan v. Carl Corp.*, No. C-97-3873, 1998 U.S. Dist. LEXIS 9012, 1998 WL 320817, at *3 (N.D. Cal. June 15, 1998); *Kregos v. Associated Press*, 795 F. Supp. 1325, 1331 (S.D.N.Y. 1992), *aff'd*, 3 F.3d 656 (2d Cir. 1993); *Demetriades v. Kaufmann*, 680 F. Supp. 658, 661 (S.D.N.Y. 1988).

We now turn to this issue.[5]

A

We first note that, according to the representations of Cosmetic at oral argument and in subsequent briefing, the Copyright Office has now acted on Cosmetic's application and issued a certificate of registration of copyright in the necklace. Once a certificate is issued, the registration dates back to the date of application. 17 U.S.C. § 410(d). Thus, Cosmetic can now allege the registration element of an infringement claim, irrespective of whether registration accrues at application or issuance. Nonetheless, we address the issue of the point at which a work is registered because it is an unsettled issue of law in this Circuit, and because it is an issue "capable of repetition yet evading review" if the Copyright Office acts on the application during litigation. *See Gerstein v. Pugh*, 420 U.S. 103, 110 n.11, 95 S. Ct. 854, 43 L. Ed. 2d 54 (1975) (citing *Sosna v. Iowa*, 419 U.S. 393, 402 n.11, 95 S. Ct. 553, 42 L. Ed. 2d 532 (1975)); *United States v. Brandau*, 578 F.3d 1064, 1067 (9th Cir. 2009).

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5. Although we addressed a similar issue in *Roth Greeting Cards v. United Card Co.*, that opinion does not control the outcome here, because it construed the language of the Copyright Act of 1909 ("1909 Act"), which has since bee substantially amended. *See* 429 F.2d 1106, 1108-09 (9th Cir. 1970) (holding that under the 1909 Act, a plaintiff could maintain his action the day he fully complied with the registration requirements by mailing in a revised application, and that the revised application's filing date related back to the original application).

B

In interpreting a statutory provision, we begin with the plain language of the statute. *See K & N Eng'g, Inc. v. Bulat*, 510 F.3d 1079, 1081 (9th Cir. 2007). Section 411(a) of the Copyright Act of 1976 (the "Act" or "1976 Act") provides, in relevant part: "[N]o civil action for infringement of the copyright in any United States work shall be instituted until pre-registration or registration of the copyright claim has been made in accordance with this title."[6] 17 U.S.C. § 411(a). "Registration" is unhelpfully defined as "a registration of a claim in the original or the renewed and extended term of copyright." 17 U.S.C. § 101.

Because the clause at issue gives no guidance in interpreting the meaning of "registration," we turn to the language of the statute as a whole to determine the intended meaning. *See United States v. Cruz-Gramajo*, 570 F.3d 1162, 1167 (9th Cir. 2009) "While the starting point is always the language of the statute itself . . . [r]ather than focusing just on the word or phrase at issue, this court looks to the entire statute to determine . . . intent." (internal quotation marks and citations omitted)). An examination of the statutory language here, however, reveals ambiguity that leaves us no closer to determining which interpretation to adopt.

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6. Preregistration is allowed only for certain commercial works within categories that the Register of Copyrights has determined to have a history of infringement prior to commercial release, and is not applicable to the work in question here. *See* 17 U.S.C. § 408(f); 37 C.F.R. § 202.16(c) (2008).

Appendix A

Looking to the Act as a whole, copyright registration is addressed in five consecutive sections: §§ 408 through 412. Two subsections of the Act, § 410(a) and portions of § 411(a), contain language that suggests that registration requires some affirmative steps to be taken by the Copyright Office. Section 410(a) details the role of the Register of Copyrights ("the Register"):

> When, after examination, the Register of Copyrights determines that, in accordance with the provisions of this title, the material deposited constitutes copyrightable subject matter and that the other legal and formal requirements of this title have been met, the Register *shall register the claim* and issue to the applicant a certificate of registration under the seal of the Copyright Office.

17 U.S.C. § 410(a) (emphasis added). This provision places an active burden of examination and registration upon the Register, suggesting that registration is not accomplished by application alone. *See, e.g., Loree Rodkin*, 315 F. Supp. 2d at 1055 (reading the provision in this way). *But see Iconbazaar*, 308 F. Supp. 2d at 634 (pointing out that this section "could be read to apply only to the requirements for issuance of a registration certificate, not to the requirements for instituting an action for infringement").

Appendix A

The latter portion of § 411(a) can be read similarly. The portion of § 411(a) setting forth the registration requirement is followed by an exception:

> In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and *registration has been refused*, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights.

17 U.S.C. § 411(a) (emphasis added). Because registration in this subsection is juxtaposed with the separate act of delivering the necessary application materials to the Copyright Office, this subsection could be read to mean that Congress intended registration to require acceptance or refusal by the Register, not mere delivery. *See, e.g.*, *Strategy Source*, 233 F. Supp. 2d at 3-4; *Loree Rodkin*, 315 F. Supp. 2d at 1055-56.

Other sections of the Act, however, cast doubt on this interpretation. In particular, § 408 blurs the line between application and registration and favors the application approach. In setting forth the permissive registration requirements, § 408 states: "[T]he owner of copyright or of any exclusive right in the work *may obtain registration . . . by delivering* to the Copyright Office the deposit specified by this section, together with the application and fee specified . . . ." 17 U.S.C. § 408(a) (emphasis added). This section implies that the sole

requirement for obtaining registration is delivery of the appropriate documents and fee. *See Prunte*, 484 F. Supp. 2d at 40 (concurring in this analysis and adopting the application approach); *Iconbazaar*, 308 F. Supp. 2d at 634 (same); *but see Ryan*, 1998 U.S. Dist. LEXIS 9012, 1998 WL 320817, at *3 (adopting the registration approach and concluding that § 408(a) means "merely that the delivery of the application is a step the applicant must take, not that delivery is sufficient by itself to obtain a registration").[7]

One final relevant subsection of the Act, § 410(d), could be read as supporting either the application or registration approach. Section 410(d) provides: "The effective date of a copyright registration is the day on which an application, deposit, and fee, which are later determined by the Register of Copyrights or by a court of competent jurisdiction to be acceptable for registration, have all been received in the Copyright Office." 17 U.S.C. § 410(d). Because this subsection dates a later-approved registration as of the date of its

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7. The Tenth Circuit read § 408(a) to support the registration approach by positing that "may," as used in that section, indicates that registration requires review. *See La Resolana*, 416 F.3d at 1201 ("This provision . . . envisions substantive review of the material by the Register of Copyrights. If it were otherwise, the verb would be 'shall obtain' instead of 'may obtain.'" (internal quotation marks omitted)). But the word "may," as used here, is better read to indicate that registration is now permissive, especially as the subsection is entitled "Registration Permissive"; if "shall obtain" were used, it would create a mandatory registration requirement.

application, it supports the interpretation that application is the critical event. *See, e.g., Dielsi*, 916 F. Supp. at 994 n.6; Prunte, 484 F. Supp. 2d at 40. However, because this backdating does not occur until after the Copyright Office or a court has deemed the registration acceptable, the statute could be read to require action by the Register to effect registration. *See, e.g., La Resolana*, 416 F.3d at 1204 n.9 ("It is not logical to assume that the relation-back provision subsumes the explicit requirements of § 411 and § 410(a)."); *Ryan*, 1998 U.S. Dist. LEXIS 9012, 1998 WL 320817, at *2; *Brush Creek*, 2002 U.S. Dist. LEXIS 15321, 2002 WL 1906620, at *3-4.

We are not persuaded that the plain language of the Act unequivocally supports either the registration or application approach. Although in some places the Act seems to equate registration with affirmative approval by the Copyright Office, in others the Act suggests registration is accomplished by completing the process of submitting an application. This ambiguity makes it necessary to go beyond the Act's plain language to determine which approach better carries out the purpose of the statute.

C

When statutory language proves unclear, we work to discern its meaning by looking to "the broader context of the statute as a whole" and the purpose of the statute. *See United States v. Olander*, 572 F.3d 764, 768 (9th Cir. 2009) (quoting *Robinson v. Shell Oil Co.*,

519 U.S. 337, 341, 117 S. Ct. 843, 136 L. Ed. 2d 808 (1997)). An understanding of the history of § 411 is helpful in discerning the statute's purpose. Section 411 is a product of the 1976 Act, which drastically amended the 1909 Act. *See* Pub. L. No. 94-553, 90 Stat. 2541 (1976); *see also* H.R. Rep. No. 94-1476, at 129 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5745. Under the 1909 Act, federal copyright protection attached only upon publication, and even then, only if proper notice, registration, and deposit occurred.[8] *See* H.R. Rep. No. 94-1476, at 129, 143, 146, 150. Protection of unpublished works was left to the states. *Id.* at 129. The 1976 Act, however, created a unitary system that attached federal copyright protection to all works—published and unpublished—at the time of their creation. Pub. L. No. 94-553, § 301(a) (codified at 17 U.S.C. § 301(a)); *see also* H.R. Rep. No. 94-1476, at 129. It also eliminated some of the prior formalities of copyright law by relaxing notice requirements and eliminating mandatory registration. *See* Pub. L. No. 94-553, §§ 301, 401-412 (codified at 17 U.S.C. §§ 301, 401-412); *see also* H.R. Rep. No. 94-1476, at 147, 150.[9] These changes vastly increased the

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8. Unlike the 1976 Act's registration procedures, registration under the 1909 Act did not allow for any discretionary determination by the Register of Copyright. Rather, if the proper steps had been taken—publication, notice, deposit, and payment of a fee—"it [was] the duty of the Register of Copyrights to issue a certificate of registration under the seal of the copyright office." *Roth Greeting Cards*, 429 F.2d at 1108.

9. Notice has since been made entirely permissive, *see* 17 U.S.C. § 401(a), as Congress further relaxed copyright

(Cont'd)

scope of works subject to copyright protection, thus providing an incentive to create expressive works. *See, e.g., Chicago Bd. of Educ.*, 354 F.3d at 631.

Although registration was made optional, Congress still valued having a robust federal register of existing copyrights. *See* H.R. Rep. No. 94-1476, at 158.[10] To this end, it chose to encourage copyright holders to register with the Office of Copyright through various statutory incentives. *See* 17 U.S.C. §§ 410-412. For instance, if a copyright holder secures a registration certificate within five years after first publication, such certificate will constitute prima facie evidence of both the validity of the copyright and the facts stated in the certificate. 17 U.S.C. § 410(c). Moreover, certain remedies, such as statutory damages and attorney's fees, are available

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formalities in order to join the Berne Convention for the Protection of Literary and Artistic Works ("Berne Convention"), which requires that foreign works not be subject to formalities. *See* Berne Convention art. 5, Sept. 9, 1886 (Paris Text 1971), S. Treaty Doc. No. 99-27; Pub. L. No. 100-568, Sec. 7, 102 Stat. 2853 (1988) (adopting laws consistent with the Berne Convention, thus becoming party to the agreement).

10. In discussing the need for proposed registration incentives in the 1976 Act, the House Judiciary Committee explained: "Copyright registration for published works, which is useful and important to users and the public at large, would no longer be compulsory, and should therefore be induced in some practical way." H.R. Rep. No. 94-1476, at 158.

only after registration.[11] 17 U.S.C. § 412. Finally, registration is required for U.S. works prior to bringing any infringement action.[12] 17 U.S.C. § 411(a). Indeed, because registration is not mandatory under the Act, copyright holders frequently register specifically for the purpose of being able to bring suit.

With this framework in mind, we conclude that the application approach better fulfills Congress's purpose of providing broad copyright protection while maintaining a robust federal register.

First, the application approach avoids unnecessary delay in copyright infringement litigation, which could permit an infringing party to continue to profit from its wrongful acts. Section 411(a) allows a party, after applying for registration, to litigate the claim whether the Copyright Office accepts or rejects the registration. *See* 17 U.S.C. § 411(a) (permitting an applicant to bring an infringement suit after the Register has rejected his or her registration, so long as the Register is notified of the suit); *see also Foraste*, 248 F. Supp. 2d at 77 n.10; Prunte, 484 F. Supp. 2d at 40. Under the registration approach, however, a party must wait on the Copyright

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11. For infringement occurring prior to the effective date of registration, a copyright owner may still obtain actual damages and/or injunctive relief. *See* 17 U.S.C. §§ 502-505.

12. As a result of the Berne Convention's mandate that foreign works not be subject to formalities, § 411's pre-suit registration requirement does not apply to non-U.S. works. *See* Berne Convention, art. 5.

Office's affirmative acceptance or rejection, despite knowing that suit can proceed in either event. As the leading treatise on copyright explains, the registration approach thus creates a strange scheme: "[G]iven that the claimant . . . will ultimately be allowed to proceed regardless of how the Copyright Office treats the application, it makes little sense to create a period of 'legal limbo' in which suit is barred." *See* 2 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 7.16[B][1][a][i] (2008) ("*Nimmer*"). The application approach avoids this legal limbo—and avoids prolonging the period of infringement—by allowing a litigant to proceed with an infringement suit as soon as he has taken all of the necessary steps to register the copyright at issue.

Moreover, the application approach avoids delay without impairing the central goal of copyright registration. As explained above, copyright registration is now a voluntary procedure, with the pre-litigation registration requirement acting as an incentive to help Congress maintain a robust national register of copyrights. *See* H.R. Rep. No. 94-1476, at 158 ("Copyright registration for published works, which is useful and important to users and the public at large . . . should . . . be induced in some practical way."). This goal, however, is accomplished equally by the registration and application approaches, as either approach requires a party to submit the information necessary to add the copyright to the federal registry. *See* 17 U.S.C. §§ 408-409 (setting forth the steps an applicant must take to register a copyright).

The registration approach's added requirement of affirmative approval or rejection before suit thus amounts to little more than just the type of needless formality Congress generally worked to eliminate in the 1976 Act. On this point, it is telling that even many courts adopting the registration approach have recognized that "construing the statute this way leads to an inefficient and peculiar result." *Brush Creek*, 2002 U.S. Dist. LEXIS 15321, 2002 WL 1906620, at *4 (quoting *Ryan*, 1998 U.S. Dist. LEXIS 9012, 1998 WL 320817, at *2); *Loree Rodkin*, 315 F. Supp. 2d at 1056-57 (same); *Strategy Source*, 233 F. Supp. 2d at 3 (same). We agree. It makes little sense to dismiss a case (which will likely be refiled in a matter of weeks or months) simply because the Copyright Office has not made a prompt decision that will have no substantive impact on whether or not a litigant can ultimately proceed.

Furthermore, in addition to being generally inefficient, in the worst-case scenario the registration approach could cause a party to lose its ability to sue. The Act provides a three-year statute of limitations for copyright infringement actions. 17 U.S.C. § 507(b). Thus, under the registration approach, a plaintiff who applied for registration towards the end of the three-year period could see the statute of limitations expire during the time it took the Copyright Office to act on the application. *See Nimmer* § 7.16[B][1][a][i] ("[G]iven . . . a three-year statute of limitations for recovery of all damages caused by copyright infringement, the narrow [registration] approach may indeed occasion complete inability to recover damages . . . ."). This result does not

square well with § 410(d)'s mandate that an application's effective registration date should be the day that a completed application is received. In specifying that registration is to be dated as of the date of application—not approval—Congress sought to ensure that an applicant did not suffer the consequences of a delay by the Register. *See* H.R. Rep. No. 94-1476 at 157 (noting that the provision is designed to "take[ ] account of the inevitable timelag between receipt of the application and other material and the issuance of the certificate . . . ."). Only the application approach fully protects litigants from any disadvantage caused by this timelag.

Finally, we find unpersuasive the argument that deference to the Register requires adoption of the registration approach. This argument posits that Congress structured the Act to require the Register's approval or rejection of registration before suit because it wanted the Register to determine the propriety of granting copyright registration in the first instance. *See, e.g., Strategy Source*, 233 F. Supp. 2d at 4. However, as *Nimmer* explains, "the pace of litigation entails that the Copyright Office will typically have granted or refused registration during its pendency." *Nimmer* § 7.16[B][1][a][i]. Thus, should the Register determine that it wanted to reject an application already in litigation, it would still have an opportunity to appear. *Id.* Furthermore, the Register's decision of whether or not to grant a registration certificate is largely

perfunctory, and is ultimately reviewable by the courts.[13] There is, therefore, no compelling justification for delaying litigation until after the Register has acted on an application. The two processes—registration approval by the Copyright Office and an underlying infringement case in the courts—can occur simultaneously with little or no prejudice to any involved parties.[14]

We therefore hold that receipt by the Copyright Office of a complete application satisfies the registration requirement of § 411(a). This interpretation ensures the broad copyright protection that the 1976 Act provided.

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13. The Register looks only to ensure that the material deposited is "copyrightable subject matter" and that the legal and formal requirements of the Title have been met. 17 U.S.C. § 410(a). After the Register's determination, the courts are empowered to review any denial of a certificate, and approval by the Register gives an applicant only prima facie evidence of copyright, leaving the courts to make the ultimate determination in either instance. *See* §§ 411(a), 410(c).

14. In fact, a defendant is in some ways aided by a plaintiff's lack of a certificate, because if a party proceeds to litigation without a registration certificate, it bears a greater evidentiary burden of proving the validity of its copyright. *See* 17 U.S.C. § 410(c) "In any judicial proceedings the certificate of a registration made before or within five years after first publication of the work shall constitute prima facie evidence of the validity of the copyright and of the facts stated in the certificate. The evidentiary weight to be accorded the certificate of a registration made thereafter shall be within the discretion of the court.").

It "best effectuate[s] the interests of justice and promote[s] judicial economy." *Int'l Kitchen Exhaust Cleaning Ass'n v. Power Washers of North America*, 81 F. Supp. 2d 70, 72 (D.D.C. 2000). This approach also fully accomplishes the central purpose of registration— the compilation of a robust national register of existing copyrights—and at the same time avoids unfairness and waste of judicial resources. *Cf. Lau Ow Bew v. United States*, 144 U.S. 47, 59, 12 S. Ct. 517, 36 L. Ed. 340 (1892) ("Nothing is better settled than that [HN20] statutes should receive a sensible construction, such as will effectuate the legislative intention, and, if possible, so as to avoid an unjust or an absurd conclusion."); *United States v. Leon H.*, 365 F.3d 750, 753 (9th Cir. 2004) (citing *Lau Ow Bew*, 144 U.S. at 59).

(3)

Under the application approach, Cosmetic satisfied § 411(a)'s registration requirement before it instituted this action. Cosmetic alleged in its complaint that the Copyright Office received its complete application on March 12, 2008, weeks before Cosmetic filed its complaint. Thus, § 411(a) does not bar Cosmetic's infringement claim, which should proceed on its merits.

Conclusion

The judgment of the district court dismissing this action is VACATED and REVERSED. This case is REMANDED to the district court for further proceedings consistent with this opinion.

APPENDIX B — ORDER ON MOTION TO DISMISS OF THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA FILED JUNE 17, 2008

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Case No.: CV 08-2074 R (RZx)

COSMETIC IDEAS, INC., a California corporation, doing business as SWEET ROMANCE JEWELRY MFG.,

Plaintiff,

v.

IAC/INTERACTIVECORP, a Delaware corporation; HOME SHOPPING NETWORK, INC., a Delaware corporation; HSN LP, a Delaware limited partnership; HSN GENERAL PARTNER LLC, a Delaware limited liability company; and DOE 1 through DOE 10, inclusive,

Defendants.

ORDER ON MOTION TO DISMISS

Complaint Filed: March 27, 2008

Date:	June 16, 2008
Time:	10:00 a.m.
Judge:	Hon. Manuel L. Real
	Courtroom 8

Appendix B

Upon motion by Defendants, IAC/InterActiveCorp., Home Shopping Network, Inc., HSN LP, and HSN General Partner LLC, to dismiss the claims of Plaintiff herein, and upon consideration thereof as well as the response of Plaintiff, Cosmetic Ideas, Inc., and the Court having found that Defendants have shown good cause therefor, it is hereby

ORDERED, that pursuant to Local Rule 12(b)(1), Defendants' Motion is granted in its entirety, and the claims of the complaint are dismissed for lack of Subject Matter Jurisdiction.

June 17, 2008

s/ Manuel L. Real
United States District Court Judge

APPENDIX C — U.S. AMICUS BRIEF FROM REED ELSEVIER, INC., ET AL. v. MUCHNICK, ET AL.; No. 08-103

No. 08-103

In the Supreme Court of the United States

REED ELSEVIER, INC., ET AL., PETITIONERS

v.

IRVIN MUCHNICK, ET AL

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE SUPPORTING VACATUR AND REMAND

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Appendix C

QUESTION PRESENTED

Whether 17 U.S.C. 411(a) restricts the subject-matter jurisdiction of the federal courts over copyright infringement actions.

[Table of Contents and Table of Authorities intentionally omitted]

Appendix C

No. 08-103

In the Supreme Court of the United States

No. 08-103

REED ELSEVIER, INC., ET AL., PETITIONERS

v.

IRVIN MUCHNICK, ET AL

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE SUPPORTING VACATUR AND REMAND

INTEREST OF THE UNITED STATES

Section 411(a) of the Copyright Act (Act) provides that "no action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title" or registration has been refused. 17 U.S.C. 411(a). This case presents the question whether that provision limits the subject-matter jurisdiction of the federal courts.

Appendix C

The United States has significant responsibilities related to, and derives important benefits from, the registration of creative works under the Copyright Act. The United States Copyright Office, headed by the Register of Copyrights (Register), is responsible for administering the registration system and determining whether works meet the requirements for registration. In addition, the Act's registration provisions ensure that the Register's views are considered in copyright litigation, and facilitate the acquisition of creative works by the Library of Congress.

The registration requirement is also of interest to the United States Patent and Trademark Office, which advises the President and other agencies on matters of intellectual property policy, see 35 U.S.C. 2(b)(8)-(12), and which advocates the effective protection of intellectual property. Finally, the requirement is of interest to the Department of Justice, which has recognized the principal role of civil enforcement in the effort to combat copyright violations. See Office of the Att'y Gen., U.S. Dep't of Justice, *Report of the Department of Justice's Task Force on Intellectual Property* 39 (Oct. 2004).

STATEMENT

1. The Copyright Act, 17 U.S.C. 101 *et seq.*, grants copyright protection to "original works of authorship fixed in any tangible medium of expression." 17 U.S.C. 102(a). Copyright protection "vest[s] in the author of an original work from the time of its creation," *Harper*

& Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539, 546-547 (1985), and confers on the author certain exclusive statutory rights, including the rights to copy, distribute, and perform the copyrighted work. 17 U.S.C. 106. Anyone who violates those rights "is an infringer of the copyright," and may be liable for damages or injunctive relief. 17 U.S.C. 501(a), 502, 504.

The Copyright Act establishes a permissive scheme of registration and deposit of copyrighted works, which is administered by the Register of Copyrights, as director of the Copyright Office. 17 U.S.C. 701(a).[1] An owner of a copyright "may obtain registration of the copyright" by sending to the Copyright Office a copy of the work, along with an application containing information about the work and the application fee. 17 U.S.C. 408(a) and (b), 409.

In determining whether to grant an application for registration, the Copyright Office's examiners analyze whether "the material deposited constitutes copyrightable subject matter and * * * the other legal and formal requirements of this title have been met." 17 U.S.C. 410(a). To "constitute[] copyrightable subject matter," the work must display the minimal degree of creativity

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[1] The Register is responsible more broadly for "[a]ll administrative functions and duties" under the Copyright Act. 17 U.S.C. 701(a). In addition to overseeing copyright registration and other copyright formalities, the Register's responsibilities include assisting the judiciary and the government with "issues relating to copyright." 17 U.S.C. 701(b)(2).

necessary to be a "work[] of authorship." 17 U.S.C. 102(a); 37 C.F.R. 202.1; *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991). The Act provides a non-exhaustive list of categories of works that constitute "works of authorship," including "literary works," "musical works," and "sound recordings." 17 U.S.C. 102(a). The Register has promulgated regulations identifying certain categories of works that generally are *not* subject to protection, including "[w]orks consisting entirely of information that is common property containing no original authorship," such as standard calendars and schedules of sporting events; fonts; slogans; and blank forms. 37 C.F.R. 202.1. In addition, ideas and the like— including methods, processes, and systems—may not be registered because they are not entitled to copyright protection. 17 U.S.C. 102(b); 37 C.F.R. 202.1(b).

If the Register concludes that the work contains copyrightable material, "the Register shall register the claim and issue to the applicant a certificate of registration under the seal of the Copyright Office." 17 U.S.C. 410(b). If the Register determines that "the material deposited does not constitute copyrightable subject matter or that the claim is invalid for any other reason," the Register must refuse to register the work and "notify the applicant in writing of the reasons for such refusal." *Ibid.*[2]

[2] We are informed by the Copyright Office that it typically registers approximately 98-99% of the claims submitted to it. In fiscal year 2007, the Office received 541,212 claims. U.S. Copyright Office, *Annual Report of the Register of Copyrights, Fiscal Year Ending September 30, 2007*, at 11 (Sept. 30, 2007).

Appendix C

Registration of creative works confers significant benefits on the Library of Congress and the public. See H.R. Rep. No. 7083, 59th Cong., 2d Sess. 8 (1907) (registration requirement in the 1909 Copyright Act was enacted "[f]or the protection of the public itself"). The copy of the work that a registration applicant must deposit with the Copyright Office or the Library of Congress is, in the case of published works, as well as unpublished works that are requested by the Library, ordinarily transferred to the collections of the Library of Congress. 17 U.S.C. 407(b), 408(b). The registration system therefore serves as a major source of the Library's acquisitions.[3] See U.S. Copyright Office, *Annual Report of the Register of Copyrights, Fiscal Year Ending September 30, 2007,* at 13-14, 16 (Sept. 30, 2007) *(Copyright Report);* Library of Congress, *Annual Report of the Librarian of Congress for the Fiscal Year Ending September 30, 2007,* at 25 (2008) ("Each year, the Copyright Office registers more than 500,000 claims and transfers more than 1 million copyrighted works to the Library's collection through the copyright deposit system."). Registration also enables the Copyright Office to compile a public record of copyright claims, and the deposited copies provide definitive evidence of what the work was at the time of registration.

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[3] Owners of copyrights in published works generally are required to deposit one or more copies of their works with the Copyright Office, regardless of whether the owner chooses to register the work. See 17 U.S.C. 407(a). But the penalties for noncompliance with this requirement are modest, 17 U.S.C. 407(d), and rarely enforced.

2. Because registration "is not a condition of copyright protection," 17 U.S.C. 408(a), the author of a copyrightable work possesses the exclusive statutory rights set forth in 17 U.S.C. 106 even if he has not filed a registration application with the Copyright Office. The filing of such an application is, however, a statutory prerequisite to the commencement of an infringement suit. Section 411(a) provides that "no action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title." 17 U.S.C. 411(a).[4] If the Register has refused to register the work, "the applicant is entitled to institute an action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights." *Ibid.* Thus, a suit for infringement may not be "instituted" until the putative copyright owner has

[4] "Preregistration" is a pre-publication procedure that may be employed for certain categories of works that the Register has determined have "a history of infringement prior to authorized commercial distribution." 17 U.S.C. 408(f)(2); 37 C.F.R. 202.16(b)(1); H.R. Rep. No. 33, 109th Cong., 1st Sess. Pt. I, at 4-5 (2005). Preregistration is not a substitute for registration; within three months after the work is published, the copyright owner must submit an application for registration. 17 U.S.C. 408(f)(3). To reinforce that requirement, the statute further provides that, when an infringement of a preregistered work occurs within two months after first publication of the work, an infringement suit must be dismissed unless the copyright owner applies for registration no later than one month after discovering the infringement (or within three months after publication if that date comes earlier). 17 U.S.C. 408(f)(4).

applied to register her copyright and the Register has either granted or denied that application. If a person whose application was denied files suit for infringement, the Register may intervene in the action "with respect to the issue of registrability of the copyright claim" in order to defend her decision not to register the copyright. *Ibid.*

In a suit for infringement of a registered copyright, a registration certificate issued within five years after the work's first publication constitutes "prima facie evidence of the validity of the copyright and of the facts stated in the certificate." 17 U.S.C. 410(c). That rebuttable presumption obviates the need for the plaintiff to prove that the relevant work is copyrightable, and that she owns the copyright, if the defendant does not contest those points.[5] In addition, statutory damages and attorneys' fees are generally unavailable for infringement that occurs before the effective date of registration. 17 U.S.C. 412; 17 U.S.C. 410(d). Thus, although a plaintiff who has submitted a registration application can file suit for infringement even if the application is denied, the Register's granting of the

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[5] If a defendant challenges the presumption on the ground that the certificate contains inaccurate information that was knowingly submitted in the registration application, "the court shall request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register of Copyrights to refuse registration." See Prioritizing Resources and Organization for Intellectual Property Act of 2008, Pub. L. No. 110-403, § 101(a)(5), 122 Stat. 4257 (amending 17 U.S.C. 411 to add a new Subsection (b)).

application has significant consequences for the conduct of the litigation.

3. This case involves consolidated class actions for copyright infringement. J.A. iii. Respondents—the plaintiffs in the district court—include large numbers of freelance authors of newspaper and magazine articles who allege that their copyrights were infringed by unauthorized reproduction and publication of their works in electronic databases. J.A. 1, 16-17, 48-49, 69-72, 80-81. Respondents sued petitioners—publishers and online database companies—in the United States District Court for the Southern District of New York. Respondents invoked the subject-matter jurisdiction of the district court under 28 U.S.C. 1331, which confers jurisdiction over civil actions arising under federal law, and 28 U.S.C. 1338(a), which provides that the district courts "shall have original jurisdiction of any civil action arising under any Act of Congress relating to * * * copyrights." See J.A. 4, 49, 69, 82.

In *New York Times Co. v. Tasini*, 533 U.S. 483 (2001), this Court confirmed "the basic soundness of [respondents'] liability theory," Pet. App. 6a, by holding that publishers were required to obtain licenses from freelance authors in order to reproduce and distribute their articles in electronic databases. Following the Court's decision in *Tasini*, the parties to the instant suits engaged in almost four years of negotiations, resulting in a global settlement agreement among freelance author groups, publishers, and electronic database companies. *Id.* at 7a-9a. The settlement

agreement provides that petitioners will compensate a large class of freelance authors whose work has been reproduced electronically. J.A. 116-136. In return, the authors agree to release all past, present, and future claims arising from the use of their articles in the databases, regardless of whether their works are registered. J.A. 113-114, 139-143. The agreement covers many works that are not registered, but it is structured to provide greater compensation to the authors of works that were registered at the relevant time. Pet. App. 8a.

The parties submitted the proposed settlement to the district court. Pet. App. 9a. Some class members (the Muchnick respondents) opposed the motion for class certification and settlement, arguing that the compensation provided under the settlement was inequitably distributed. *Ibid.* The objecting class members did not contend, however, that 17 U.S.C. 411(a) barred the court from certifying a class, or approving a settlement, that encompassed plaintiffs whose copyrights were unregistered. Pet. App. 9a. The district court certified the class described in the agreement and entered a final judgment approving the settlement. *Id.* at 9a-10a.

4. The Muchnick respondents appealed. Although no party contended on appeal that Section 411(a) limited the court's jurisdiction to claims based on registered copyrights, the court of appeals *sua sponte* ordered the parties to address the district court's subject-matter jurisdiction. Pet. App. 9a-10a, 46a-47a. The parties all responded that the district court had jurisdiction to

enter the judgment approving the settlement agreement. Pet. Br. 7.

The court of appeals vacated the district court's approval of the settlement and remanded for further proceedings. Pet. App. 1a-45a. Relying primarily on the Second Circuit's "binding precedent" and "the persuasive authority of our sister circuits," the court held that "[S]ection 411(a)'s registration requirement limits a district court's subject matter jurisdiction to claims arising from registered copyrights only." *Id.* at 12a-13a (citing *Well-Made Toy Mfg. Corp. v. Goffa Int'l Corp.*, 354 F.3d 112, 114, 115 (2d Cir. 2003), and *Morris v. Business Concepts, Inc.*, 259 F.3d 65, 72, 73 (2d Cir. 2001)). The court observed that, unlike provisions that govern the timing of particular steps in a case already within the court's jurisdiction, "[S]ection 411(a) creates a statutory condition precedent to the suit itself." *Id.* at 17a (citing, *inter alia*, *Eberhart v. United States*, 546 U.S. 12 (2005) (per curiam), and Fed. R. Crim. P. 33).

The court of appeals held that all claims within the certified class needed to satisfy Section 411(a)'s registration requirement, and that the named plaintiffs' satisfaction of that requirement was not sufficient to allow the class action to go forward. Pet. App. 20a-24a. The court found the registration requirement to apply even though the district court had approved the parties' settlement rather than adjudicating the claims on the merits. *Id.* at 24a n.7. The court further concluded that the supplemental jurisdiction statute, 28 U.S.C. 1367(a), did not authorize the district court to exercise

jurisdiction over claims involving unregistered copyrights. Pet. App. 25a-27a. Based on its conclusion that "the District Court lacked jurisdiction to certify the class and approve the settlement agreement," the court of appeals vacated and remanded for further proceedings. *Id.* at 27a.

Judge Walker dissented. Pet. App. 27a-45a. He concluded that the text and history of Section 411(a), viewed in light of this Court's decisions, including *Arbaugh v. Y&H Corp.*, 546 U.S. 500 (2006), do not suggest that Congress intended the registration requirement to function as a jurisdictional limitation. Pet. App. 27a-38a. Judge Walker also would have held that even if Section 411(a) were jurisdictional, the district court had authority to approve the settlement. *Id.* at 38a-45a.

SUMMARY OF ARGUMENT

I. The registration requirement contained in 17 U.S.C. 411(a) is not a jurisdictional prerequisite to a suit for copyright infringement. Section 411(a) has none of the attributes that this Court has identified as indicative of jurisdictional status. See *Arbaugh v. Y&H Corp.*, 546 U.S. 500, 514-515 (2006). The provision "does not speak in jurisdictional terms or refer in any way to the jurisdiction of the district courts." *Id.* at 515 (quoting *Zipes v. TWA*, 455 U.S. 385, 394 (1982)). It appears in the Copyright Act, grouped with other formal obligations placed on copyright owners, and is separate and distinct from the provisions that grant jurisdiction over copyright

actions, 28 U.S.C. 1331 and 1338(a). Nor does any special circumstance—such as a settled construction by this Court, cf. *John R. Sand & Gravel Co. v. United States*, 128 S. Ct. 750, 756-757 (2008), or a relation to sovereign immunity, cf. *United States v. Dalm*, 494 U.S. 596, 608-610 (1990)—justify treating the registration requirement as jurisdictional in the absence of express statutory language to that effect.

II. This Court has recognized that although many non-jurisdictional requirements are subject to waiver, forfeiture, and equitable exceptions, see, *e.g.*, *Zipes*, 455 U.S. at 393, some should be enforced more rigidly, see *Hallstrom v. Tillamook County*, 493 U.S. 20, 23, 31 (1989), and some may be raised by the court on its own motion, see, *e.g.*, *Day v. McDonough*, 547 U.S. 198, 205, 209 (2006). In determining the appropriate method of implementing particular non-jurisdictional requirements, this Court has considered the relevant statutory language, other indicia of congressional intent, and, in particular, the extent to which such requirements protect institutional or public interests beyond the interests of the parties to the litigation. See, *e.g.*, *id.* at 205-206; *Hallstrom*, 493 U.S. at 28-29.

In providing that "no action for infringement of the copyright in any United States work shall be instituted" until a registration application has been granted or denied, 17 U.S.C. 411(a), Congress used emphatic language that "cannot easily be read as containing implicit exceptions." *United States v. Brockamp*, 519 U.S. 347, 350 (1997). In addition, the registration

requirement serves important public interests beyond those of the parties to an infringement suit. The requirement safeguards the source of a significant portion of the Library of Congress's acquisitions, and helps ensure that the Copyright Office maintains a public record of copyrighted works. Registration also gives courts the benefit of the Register's expertise on issues of registrability, and serves judicial economy by narrowing the issues that must be litigated.

Because Section 411(a)'s registration requirement is not primarily intended as a protection for the defendant, but instead serves broader public and governmental interests, the defendant's failure to raise non-compliance with that requirement as a ground for dismissal is not ordinarily a sufficient reason for the district court to excuse that failure. Rather, district courts typically should enforce that requirement *sua sponte*, and should decline to adjudicate an infringement suit on the merits when the plaintiff has not complied with the statutory prerequisite. Cf. *Day*, 547 U.S. at 205, 209. After judgment, however, Section 411(a), as a non-jurisdictional provision, should be subject to the general rule that defenses or objections that are not raised prior to judgment are deemed forfeited. See *Kontrick v. Ryan*, 540 U.S. 443, 459 (2004).

Appendix C

ARGUMENT

I. SECTION 411(a) DOES NOT LIMIT THE SUBJECT-MATTER JURISDICTION OF THE FEDERAL COURTS

The registration requirement contained in 17 U.S.C. 411(a) is not a jurisdictional prerequisite to the district court's adjudication of a suit for copyright infringement. In recent years, this Court has distinguished between requirements that are genuinely jurisdictional, in that they define the scope of the courts' adjudicatory power, and rules that, however important and categorical, are not jurisdictional in nature and consequence because they address matters other than the courts' power to decide. See, *e.g.*, *Arbaugh v. Y&H Corp.*, 546 U.S. 500, 510-511, 515 (2006); *Kontrick v. Ryan*, 540 U.S. 443, 455-456 (2004). Under the analysis set out in these cases, Section 411(a)'s registration requirement is not jurisdictional.

A. In *Arbaugh*, the Court announced a general rule of construction that "when Congress does not rank a statutory limitation * * * as jurisdictional, courts should treat the restriction as nonjurisdictional in character." 546 U.S. at 516. In light of the significant consequences of characterizing a requirement as jurisdictional—a jurisdictional limit "can never be forfeited or waived," and *must* be raised *sua sponte*, regardless of the "unfair[ness] and waste of judicial resources" occasioned by doing so, *id.* at 514-515 (citation omitted; brackets in original)—the Court looked for clear indicia of congressional intent, *id.* at 513-516.

Applying that standard, the Court held that Title VII's limitation on coverage to defendants with at least 15 employees, 42 U.S.C. 2000e(b), is not jurisdictional. The Court emphasized that neither the general federal-question statute, 28 U.S.C. 1331, nor Title VII's jurisdictional provision, 42 U.S.C. 2000e-5(f)(3), contains any employee-numerosity requirement. *Arbaugh*, 546 U.S. at 514-515. Rather, "the 15-employee threshold appears in a separate provision that 'does not speak in jurisdictional terms or refer in any way to the jurisdiction of the district courts.'" *Id.* at 515 (quoting *Zipes v. TWA*, 455 U.S. 385, 394 (1982)). While recognizing that Congress "*could* make the employee-numerosity requirement 'jurisdictional,'" *id.* at 514, the Court declined to adopt that reading in the absence of any indication in the text or statutory structure that Congress so intended, *id.* at 515-516.

B. Under this Court's analysis in *Arbaugh*, Section 411(a)'s registration requirement is not jurisdictional. *First*, Congress broadly vested the federal district courts with original jurisdiction over copyright actions, without specifying that jurisdiction is in any way dependent on registration. Copyright actions are encompassed within the grant of federal-question jurisdiction in 28 U.S.C. 1331, cf. *Arbaugh*, 546 U.S. at 505, and also within the independent grant of jurisdiction over copyright and patent actions in 28 U.S.C. 1338(a). Section 1338(a) expansively confers jurisdiction over "any civil action" arising under "any" federal copyright statute. 28 U.S.C. 1338(a). Neither Section 1338(a) nor Section 1331 is confined by its terms to actions involving

works that have been registered by the Copyright Office. Cf. *Arbaugh*, 546 U.S. at 515. Rather, the registration requirement appears in Chapter 4 of the Copyright Act, which does not speak to the power or duties of the federal courts but instead imposes various obligations on copyright owners. See, *e.g.*, 17 U.S.C. 407 (requiring deposit of work in the Copyright Office).

Second, Section 411(a) does not "speak in jurisdictional terms," and it does not limit Title 28's grants of jurisdiction over copyright claims. See *Arbaugh*, 546 U.S. at 515 (quoting *Zipes*, 455 U.S. at 394). Rather, by providing that "no action for infringement * * * shall be instituted until preregistration or registration of the copyright claim has been made," 17 U.S.C. 411(a), the provision merely establishes steps that a copyright holder must take before filing suit. The provision thus speaks to the obligations of the parties rather than to the power of the court.[6] See *Arbaugh*, 546 U.S. at 505; see also

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[6] Section 411(a) does mention "jurisdiction" once, in its final sentence, which states that when the Register has refused to register a work, the Register's decision not to intervene in a subsequent suit for infringement of that work "shall not deprive the court of jurisdiction to determine that issue." That sentence was enacted to overturn *Vacheron & Constantin-Le Coultre Watches, Inc. v. Benrus Watch Co.*, 260 F.2d 637 (2d Cir. 1958), in which the court of appeals held that copyright owners who had been refused registration were required to seek mandamus against the Register to obtain registration before they could sue for infringement. See H.R. Rep. No. 1476, 94th Cong., 2d Sess. 157 (1976). In referring to "jurisdiction to determine *that*

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Landgraf v. USI Film Prods., 511 U.S. 244, 274 (1994) ("jurisdictional statutes speak to the power of the court rather than to the rights or obligations of the parties") (citation omitted). To be sure, Section 411(a) states the registration requirement in "emphatic" terms, but that does not suggest that the provision is jurisdictional. *Arbaugh*, 546 U.S. at 510; see *Hallstrom*, 493 U.S. at 31 (statutory requirement can be mandatory but not necessarily jurisdictional); pp. 20-24, *infra*.

Section 411(a)'s text is very different from the statutory language that this Court has found sufficient to demonstrate congressional intent to limit subject-matter jurisdiction. For example, in *Rockwell International Corp. v. United States*, 549 U.S. 457, 467-470 (2007), the Court held that 31 U.S.C. 3730(e)(4)(A), which states that "[n]o court shall have jurisdiction over an action under [the False Claims Act] based upon the public disclosure of allegations or transactions," was a sufficiently "clear and explicit withdrawal of jurisdiction" under *Arbaugh*. *Rockwell*, 549 U.S. at 468 (emphasis omitted). Other statutes that the Court has described as jurisdictional include 16 U.S.C. 814 ("district courts

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issue," Congress indicated that the narrow import of the provision is to clarify that a copyright owner whose application for registration has been denied may have all issues—registrability as well as infringement—determined in one action against the infringer. Section 411(a)'s final sentence therefore has no bearing on the question whether Section 411(a) deprives the federal courts of subject-matter jurisdiction over certain copyright actions.

shall only have jurisdiction of cases when the amount claimed * * * exceeds $3,000"), and 7 U.S.C. 2707(e)(3) (district courts are "vested with jurisdiction to entertain" suits against persons subject to orders of the Egg Board). See *Arbaugh*, 546 U.S. at 515 n.11 (listing statutes).

Although the Court has occasionally accorded jurisdictional import to statutory requirements that do not use the term "jurisdiction," the concerns that underlay those decisions are not present here. For example, the Court has relied on *stare decisis* to hold that certain time limits are jurisdictional, despite the lack of any textual reference to jurisdiction. See *John R. Sand & Gravel Co. v. United States*, 128 S. Ct. 750, 753-754, 756-757 (2008) (relying on *stare decisis* to hold that the statute of limitations governing the Court of Federal Claims is jurisdictional); *Bowles v. Russell*, 127 S. Ct. 2360, 2363-2364 & n.2 (2007) (citing a "century's worth of precedent" supporting the conclusion that 28 U.S.C. 2107(a)'s time limit for filing a notice of appeal is jurisdictional).[7] Similarly, in *United States v. Dalm*, 494 U.S. 596, 608-610 (1990), the Court relied on principles of sovereign immunity in holding that the statute of

[7] In addition, the statutory provision at issue in *Bowles* provides that, unless the notice of appeal in a federal civil case is filed in a timely fashion, "no appeal shall bring any judgment, order or decree * * * before a court of appeals for review." 28 U.S.C. 2107(a). Although Section 2107(a) does not use the term "jurisdiction," it speaks to the power of the court of appeals (rather than to the behavior of the litigant) by stating that an untimely notice of appeal will not bring the case to the court.

limitations for a tax recovery suit against the government should be construed as jurisdictional. Section 411(a), by contrast, does not implicate principles of sovereign immunity, and this Court has never before construed it to impose a jurisdictional rule.

Third, the legislative history of Section 411(a), like the text of the provision, describes the registration requirement in non-jurisdictional terms. Cf. *Zipes*, 455 U.S. at 394. The House Report on the Copyright Act of 1976 states that "copyright registration * * * is a condition of certain *remedies* for copyright infringement," H.R. Rep. No. 1476, 94th Cong., 2d Sess. 150 (1976) (emphasis added), and that "registration must be made before a suit for copyright infringement is instituted," *id.* at 157. The Report thus describes registration as an obligation of the plaintiff in an infringement suit, rather than as a prerequisite to the court's exercise of adjudicatory power. And in 1988, when Congress considered altering or repealing Section 411(a) in connection with the Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853, the committee reports described the requirement as a "prerequisite to suit," H.R. Rep. No. 609, 100th Cong., 2d Sess. 41 (1988), but nowhere suggested that repealing Section 411(a) would broaden the jurisdiction of the courts.

In holding that Section 411(a)'s registration requirement is jurisdictional, the court of appeals stated that Section 411(a) does not simply govern the conduct of proceedings *after* the court has asserted jurisdiction,

but rather "creates a statutory condition precedent to the suit itself." Pet. App. 17a.[8] The same is true, however, of exhaustion requirements and statutes of limitation, which are ordinarily treated as non-jurisdictional even though they establish prerequisites to the plaintiff's commencement of suit. See *Day*, 547 U.S. at 205 (explaining that a "limitations defense resembles other threshold barriers" such as "exhaustion of state remedies" that are typically treated as "nonjurisdictional"); *John R. Sand & Gravel Co.*, 128 S. Ct. at 753 (explaining that "the law typically treats a limitations defense as an affirmative defense that the defendant must raise at the pleadings stage and that is subject to rules of forfeiture and waiver"); *Zipes*, 455 U.S. at 392-398. To be sure, if a particular requirement applies to litigation conduct that can occur only after the court has acquired jurisdiction, that fact supports the conclusion that the requirement is non-jurisdictional. See *Scarborough v. Principi*, 541 U.S. 401, 413-414 (2004) (holding that requirements governing attorney-fee applications under 28 U.S.C. 2412(d)(1) are not

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[8] In that regard, the court of appeals contrasted Section 411(a) with Federal Rule of Criminal Procedure 33, which establishes time limits for filing a post-verdict motion for a new trial in a federal criminal case. See Pet. App. 17a. In *Eberhart v. United States*, 546 U.S. 12 (2005) (per curiam), this Court held that the time limits established by Rule 33 are non-jurisdictional. The court of appeals in this case explained that, unlike Section 411(a)'s registration requirement, which by its terms applies to the initiation of suit, "Rule 33 merely sets forth a time limit for moving in a case that undoubtedly already falls within the district court's jurisdiction." Pet. App. 17a.

jurisdictional, in part because those requirements "relate[] only to postjudgment proceedings auxiliary to cases already within th[e] court's adjudicatory authority"); *Bowles*, 127 S. Ct. at 2365. It does not follow, however, that every "statutory condition precedent" to the commencement of suit (Pet. App. 17a) is jurisdictional in nature.

In sum, there is no evidence that Congress intended to imbue the registration requirement with jurisdictional force. As in *Arbaugh*, requiring the courts to dismiss a copyright infringement action for lack of registration even after judgment could create "unfair[ness] and waste of judicial resources." 546 U.S. at 515 (citation omitted; brackets in original). In this case, for example, the court of appeals' invocation of Section 411(a) after judgment rendered the significant expenditure of resources by the parties and the mediator a nullity, and also vitiated the parties' agreement to provide authors compensation for the use of their copyrighted works. Even in a less wide-ranging case, requiring courts to treat the plaintiff's failure to register his copyright as a ground for setting aside a final judgment on appeal could work significant unfairness. The text, history, and purposes of Section 411(a) do not suggest that Congress intended such a result. *Ibid.*[9]

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[9] The court of appeals based its contrary decision primarily on decisions predating *Arbaugh* that characterize Section 411(a) in jurisdictional terms. Pet. App. 12a-13a; see, *e.g.*, *La Resolana Architects, PA v. Clay Realtors Angel Fire*, 416 F.3d 1195, 1200 (Cont'd)

II. SECTION 411(a) IS A MANDATORY PREREQUISITE TO SUIT THAT ORDINARILY SHOULD BE RAISED *SUA SPONTE* BY DISTRICT COURTS

Non-jurisdictional statutory threshold requirements are applied with varying degrees of rigorousness. Depending on the nature and purposes of the requirement at issue, such provisions may (or may not) be subject to waiver, forfeiture, equitable exceptions, *sua sponte* enforcement, or a combination thereof. See, *e.g.*, *Hallstrom*, 493 U.S. at 23; *Zipes*, 455 U.S. at 393; *Day*, 547 U.S. at 205, 209. Thus, Section 411(a)'s non-jurisdictional character does not by itself resolve the question whether an infringement suit should be dismissed for non-compliance with the registration requirement even when the defendant does not seek dismissal on that basis.[10]

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(10th Cir. 2005). These "drive-by jurisdictional rulings," see *Arbaugh*, 546 U.S. at 511 (quoting *Steel Co. v. Citizens for a Better Env't*, 523 U.S. 83, 91 (1998)), should be given little weight because they predate *Arbaugh* and did not apply the analytic approach that this Court articulated in that case.

[10] Federal Rule of Criminal Procedure 52(b) and this Court's decisions construing the Rule illustrate that district courts are sometimes required to address *sua sponte* issues that the parties have not identified. Rule 52(b) states that "[a] plain error that affects substantial rights may be considered even though it was not brought to the court's attention." The very concept of an "error" that "was not brought to the court's

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Appendix C

In determining whether a particular rule is subject to equitable exceptions or may be raised by the court on its own motion, a key consideration is whether the rule is intended to benefit only the parties to the suit, or whether it serves broader systemic interests that the parties might not adequately represent. See, *e.g.*, *Hallstrom*, 493 U.S. at 24-26, 28-29; *Day*, 547 U.S. at 205, 209; cf. *Arizona v. California*, 530 U.S. 392, 412 (2000). Section 411(a)'s registration requirement falls in the latter category. By making the right to sue for copyright infringement contingent on registration, Congress sought to expand the Library of Congress's collection of copyrighted works, provide a public record of copyright ownership, and afford courts the benefit of the Copyright Office's expertise. In light of those considerations, district courts should strictly enforce the registration requirement in cases where the defendants raise the issue. Further, courts should ordinarily dismiss *sua sponte* infringement suits premised on unregistered copyrights, even when the defendant does not assert the plaintiff's non-compliance with Section 411(a) as a ground for dismissal. After judgment, however, defenses based on Section 411(a) should be considered forfeited, except in exceptional circumstances that are not present here.

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attention" presupposes that the trial court may sometimes be obligated to issue a legal ruling that neither party requests. See *United States v. Olano*, 507 U.S. 725, 733 (1993) ("Although in theory it could be argued that if the question was not presented to the trial court no error was committed by the trial court, * * * this is not the theory that Rule 52(b) adopts.") (brackets and citation omitted).

Appendix C

A. Section 411(a) Is A Mandatory Prerequisite To Suit That Should Be Strictly Enforced When Raised By A Party

1. In *Hallstrom*, this Court recognized that a statutory prerequisite may be a "mandatory condition[] precedent to commencing suit" even if it is not jurisdictional.[11] 493 U.S. at 23, 26, 31. There, the Court considered the notice-and-delay provision of the Resource Conservation and Recovery Act of 1976 (RCRA), which applied to citizen suits against private parties for violating RCRA, and stated that "[n]o action may be commenced * * * prior to 60 days after the plaintiff has given notice" to, *inter alia*, the Administrator of the Environmental Protection Agency. 42 U.S.C. 6972(b)(1). The Court explained that, "[u]nder a literal reading of the statute, compliance with the 60-day notice provision is a mandatory, not optional, condition precedent for suit." *Hallstrom*, 493 U.S. at 26. The Court also observed that permitting equitable exceptions to the notice requirement could "frustrate[]" Congress's intent to allow government agencies the opportunity to enforce RCRA themselves upon learning of the allegations, and also to promote judicial economy by providing a window for voluntary compliance. *Id.* at 28-29; see *Brockamp*, 519 U.S. at 350-352 (time limit for filing tax recovery claim was mandatory in view of its

[11] The Court in *Hallstrom* left open the question of whether the relevant provision was "jurisdictional in the strict sense of the term," because resolving that question was not necessary to the Court's conclusion that the provision was mandatory. 493 U.S. at 31.

"emphatic" language and furtherance of system-related interests); cf. *Munsell v. Department of Agric.*, 509 F.3d 572, 581 (D.C. Cir. 2007) (exhaustion requirement in 7 U.S.C. 6912(e) is "both mandatory and nonjurisdictional").

2. Section 411(a) similarly speaks in emphatic and facially unqualified terms: "*no action* for infringement * * * *shall be instituted until* preregistration or registration of the copyright claim has been made," (emphasis added). This language is most naturally read as creating a mandatory condition precedent to suit. See *Hallstrom*, 493 U.S. at 26, 31. That conclusion is reinforced by Section 501(b), which states that the "owner of an exclusive right under a copyright is entitled, *subject to the requirements of section 411*, to institute an action for any infringement." 17 U.S.C. 501(b) (emphasis added). That language confirms that the preconditions to suit set forth in Section 411(a), among which is registration of the copyright that is alleged to have been infringed, are "requirements" upon which the right to sue depends.[12]

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[12] The Copyright Act's preregistration procedures demonstrate the high priority that Congress placed on registration. 17 U.S.C. 411(a); 408(f). The preregistration procedure was added to the Copyright Act in response to the increasing prevalence of pre-publication infringement, which cannot easily be remedied if the copyright owner must wait to obtain registration before suing for infringement. See H.R. Rep. No. 33, 109th Cong., 1st Sess. Pt. I, at 4-5 (2005). Although Section 411(a) permits a copyright owner to sue if she has preregistered

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3. Like the notice requirement in *Hallstrom*, Section 411(a)'s registration requirement serves important purposes beyond protecting the interests of the parties in an individual suit. See H.R. Rep. No. 7083, 59th Cong., 2d Sess. 8 (1907) (registration requirement in the 1909 Copyright Act was enacted "[f]or the protection of the public itself"). The requirement encourages authors to deposit their creative works with the Copyright Office, thereby providing the Library of Congress with an important source of its acquisitions. See H.R. Rep. No. 609, *supra*, at 42 (emphasizing importance of this cost-free method of acquisition); *Copyright Report* 13 ("Copyright deposits form the core of the Library's 'Americana' collections and serve as the primary record of American creativity."). In addition, registration enables the Copyright Office to compile a record of copyrighted works, which serves as a valuable resource for those seeking to use copyrighted works lawfully. See *id.* at 12.

The registration requirement also ensures that the court in an infringement suit can consider the Copyright Office's judgment as to the copyrightability of the work. See, *e.g.*, H.R. Rep. No. 609, *supra*, at 41 ("Registration

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her works, in order to "ensure that preregistered works are formally registered," *id.* at 5, Congress provided that failure to timely register renders the pre-registration ineffective, and can mandate the dismissal of the suit. 17 U.S.C. 408(f)(4); see note 4, *supra*. These limitations reflect Congress's intent to permit suits prior to registration only in specific circumstances, and on the condition that the works are ultimately registered.

* * * assists the courts in resolving the underlying copyright dispute."); *id.* at 41-42 (Judicial Conference of the United States stated that elimination of registration requirement would cause "increased difficulty in trying copyright cases."); *Torres-Negrón v. J&N Records, LLC*, 504 F.3d 151, 161-162 (1st Cir. 2007). When registration is made within five years of the work's first publication, the certificate is "prima facie evidence of the validity of the copyright and of the facts stated in the certificate." 17 U.S.C. 410(c). Section 411 also contemplates active participation by the Copyright Office in certain infringement suits following its registration decision, either when the plaintiff files suit after his registration application has been denied, see 17 U.S.C. 411(a), or when the Copyright Office grants the application but the defendant subsequently alleges that the putative copyright owner's certificate contains intentionally inaccurate information, see Prioritizing Resources and Organization for Intellectual Property Act of 2008, Pub. L. No. 110-403, § 101(a)(5), 122 Stat. 4257. In addition, the registration requirement may sometimes obviate the need for the court to rule on infringement claims at all, since a potential plaintiff whose registration application is denied by the Copyright Office may forgo suit rather than challenge the Register's determination.

Although the lower courts are divided regarding the deference due the Register's registration decisions,[13]

[13] A majority of courts of appeals to consider the issue defer to the Copyright Office's opinion on registrability in the context

(Cont'd)

Appendix C

Congress evidently intended the Register's expertise to serve as a resource to courts adjudicating copyright claims and contemplated an active role for the Register in certain infringement suits. The Register cannot perform those functions when copyright owners do not present their works for registration. Thus, in light of Section 411(a)'s mandatory language and the broad systemic purposes that the registration requirement serves, district courts should enforce that requirement rigorously when it is invoked by a party.[14]

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of an infringement action. See *Torres-Negrón*, 504 F.3d at 161-162; *Southco, Inc. v. Kanebridge Corp.*, 390 F.3d 276, 286 (3d Cir. 2004) (en banc), cert. denied, 546 U.S. 813 (2005); *Batjac Prods. Inc. v. GoodTimes Home Video Corp.*, *160* F.3d 1223, 1230-1231 (9th Cir. 1998), cert. denied, 526 U.S. 1158 (1999); *John Muller & Co. v. New York Arrows Soccer Team, Inc.*, 802 F.2d 989, 990 (8th Cir. 1986); *Norris Indus., Inc. v. International Tel. & Tel. Corp.*, 696 F.2d 918, 922 (11th Cir. 1982), cert. denied, 464 U.S. 818 (1983). But see *Carol Barnhart Inc. v. Economy Cover Corp.*, 773 F.2d 411, 413-414 (2d Cir. 1985); *Atari Games Corp. v. Oman*, 888 F.2d 878, 887 (D.C. Cir. 1989) (Silberman, J., concurring); *Wright v. Warner Books, Inc.*, 953 F.2d 731, 742 (2d Cir. 1991).

[14] Section 411(a) requires the plaintiff to possess a registration certificate, to have been refused registration, or to have preregistered, at the time the suit is commenced. Although some courts have held that Section 411(a)'s precondition to suit is satisfied by simply filing an application for registration, see, *e.g.*, *Apple Barrel Prods., Inc. v. Beard*, 730 F.2d 384, 386-387 (5th Cir. 1984), those decisions are contrary to Section 411(a)'s plain text, and therefore incorrect. Section 411(a) unambiguously states that registration must have been "made

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B. Section 411(a)'s Registration Requirement Ordinarily Should Be Enforced *Sua Sponte* By District Courts, But Non-Compliance With That Requirement Provides No Basis For Vacatur Of The Judgment In This Case

1. In light of the important public and judicial interests described above, district courts should ordinarily notice a plaintiff's non-compliance with Section 411(a) *sua sponte* even if the defendant does not move to dismiss on this ground. Cf. *Brooks-Ngwenya v. Indianapolis Pub. Sch.*, 564 F.3d 804, 808 (7th Cir. 2009) ("[C]ourts enforce mandatory (though non-jurisdictional) rules— even if the parties do not raise them—in a variety of ways.").

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in accordance with this title"—*i.e.*, granted by the Copyright Office—before a suit may be filed. See, *e.g.*, *La Resolana Architects, PA v. Clay Realtors Angel Fire*, 416 F.3d 1195, 1203-1205 (10th Cir. 2005). And although Section 411(a) allows the putative copyright owner to sue even if his registration application is denied, the statute clearly contemplates that the plaintiff will commence the suit only after the Copyright Office has acted on the application. See 17 U.S.C. 411(a) (providing that, where a properly submitted registration application "has been refused, the applicant is entitled to institute an action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights"). Moreover, if the district court were to adjudicate an infringement suit on the merits while the plaintiff's application was pending before the Copyright Office, the court would be deprived of the Register's views on such issues as copyrightability.

Appendix C

This Court has held that *sua sponte* enforcement can be appropriate where a non-jurisdictional rule or defense implicates extra-party interests. See *Day*, 547 U.S. at 205-206, 209 (holding that because the habeas statute of limitations "implicate[d] values beyond the concerns of the parties," including comity, finality, and judicial economy, the court had discretion to raise the defense *sua sponte)* (citation omitted); *Arizona*, 530 U.S. at 412-413 (holding that because the res judicata defense "is not based solely on the defendant's interest in avoiding the burdens of twice defending a suit, but is also based on the avoidance of unnecessary judicial waste," a court "may dismiss the action *sua sponte*" on this ground); see also *United States v. Mitchell*, 518 F.3d 740, 749-751 (10th Cir. 2008) (same as to the time limitation in Federal Rule of Appellate Procedure 4(b)); cf. *Mackay v. Uinta Devel. Co.*, 229 U.S. 173, 176 (1913) (where procedural "provisions are for the benefit of the defendant * * * the court will not, of its own motion, inquire as to the regularity of the issue or service of the process").

Here, Congress has sought to encourage copyright owners to register their works by making registration a mandatory prerequisite to the commencement of an infringement suit. That requirement serves in part to further systemic goals such as the supplementation of the Library of Congress's collection and the creation of a public record of copyrighted works. The protection of those public interests should not depend on whether the defendant in a particular case identifies the plaintiff's non-compliance with the registration requirement as a

ground for dismissal. Compliance with Section 411(a)'s threshold requirement also ensures that the court can take account of the Register's views on the issue of copyrightability. Cf. *Arizona*, 530 U.S. at 412-413; *Mitchell*, 518 F.3d at 749 (*sua sponte* adjudication can be appropriate "when the issue implicates the court's power to protect its own important institutional interests").

In light of these considerations, the district court in an infringement suit should ordinarily dismiss the complaint *sua sponte* if the plaintiff has failed to register her copyright, even if the defendant does not request that relief. Although the district court has discretion whether to enforce Section 411(a) *sua sponte*, see *Day*, 547 U.S. at 209, the concerns embodied in the provision would generally weigh strongly in favor of enforcement. A plaintiff's failure to register should ordinarily be evident at the outset of the lawsuit, when the court and the parties have not yet expended any resources. And because Section 411(a) furthers public and governmental interests beyond the concerns of the court and the parties to a particular case, the court should not decline to enforce the requirement *sua sponte* unless it is satisfied that the public interest will not be harmed thereby. Given that the interests of the Library of Congress and the public are best served by rigorous enforcement of Section 411(a), *sua sponte* dismissal will ordinarily be the proper course.[15]

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[15] To be sure, Section 411(a) does not categorically require *sua sponte* dismissal in every case, and the district court may (Cont'd)

2. A different rule should apply, however, in the courts of appeals. "Only lack of subject-matter jurisdiction is preserved post-trial," and non-jurisdictional barriers to relief are considered forfeited if not raised before judgment on the merits. *Kontrick*, 540 U.S. at 459; *ibid.* (timeliness issue "could be raised, at the latest, at the trial on the merits") (citation omitted); see Fed. R. Civ. P. 12(h); 5C Charles Allen Wright & Arthur R. Miller, *Federal Practice and Procedure* § 1394, at 557 (3d ed. 2004) ("A defense that has not been raised in a pleading, by motion, or at trial normally will be considered waived and cannot * * * be heard for the first time on appeal."). The forfeiture-after-judgment rule applies with equal force to prerequisites to suit and other mandatory rules. See, *e.g.*, *Kontrick*, 540 U.S. at 456 (an "inflexible claim-processing rule * * * even if unalterable on a party's application, can nonetheless be forfeited if the party asserting the rule

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well have been justified in eschewing that course under the unusual circumstances of this case. All parties to the suit agreed that inclusion of unregistered works in some sort of global settlement was advisable; the named plaintiffs had registered their works; the court was not being asked to adjudicate the claims on the merits and therefore had less need of the Copyright Office's expertise; and the settlement served the public interest in increasing the availability of the materials to the public while recognizing the authors' copyright rights. In addition, the harm to the Library of Congress's interests appears to be insubstantial in a case like this one, which involves articles published in newspapers and other periodicals. The Library typically obtains copies of such works when the periodical itself is registered and/or deposited.

waits too long to raise the point"); *Grubbs v. General Elec. Credit Corp.*, 405 U.S. 699, 700 (1972) (compliance with mandatory requirements for removal "may not be raised for the first time on appeal"); *Sierra Club v. Yeutter*, 926 F.2d 429, 437 (5th Cir. 1991) (notice-and-delay provision was forfeited if not raised before judgment).[16] And once an issue is considered forfeited, appellate courts generally will not adjudicate it, either at the urging of the parties to the appeal or on the court's own motion. Cf. *Carlisle v. United States*, 517 U.S. 416, 422-423 (1996) (declining to construe Federal Rule of Criminal Procedure 29 in a manner that would permit the court to raise an issue *sua sponte* even after the party no longer had the ability to raise it).

To be sure, appellate courts may "[i]n exceptional circumstances, * * * in the public interest, * * * notice errors to which no exception has been taken, if the errors are obvious, or if they otherwise seriously affect the fairness, integrity or public reputation of judicial proceedings." *Silber v. United States*, 370 U.S. 717, 717-718 (1962) (citation omitted); *Brickwood Contractors, Inc. v. Datanet Eng'g, Inc.*, 369 F.3d 385, 396-397 (4th Cir. 2004) (en banc) (applying plain-error rule to failure

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[16] Another example arises in the criminal context. While an indictment is a non-jurisdictional but constitutionally required element of a criminal case, such that the case should be dismissed if a defect in the indictment is discovered before judgment, *United States v. MacDonald*, 435 U.S. 850, 860 n.7 (1978), the conviction may stand on appeal if the defect was not raised in the district court. *United States v. Cotton*, 535 U.S. 625, 631-632 (2002) (applying plain-error review).

to comply with mandatory claim-processing rule of Federal Rule of Civil Procedure 11). But this is a high bar, reflecting the substantial costs of addressing a new issue after the record is closed: prejudice to the party who prevailed below and loss of the judicial resources expended in adjudicating the matter on the merits. As against these costs, significant interests must militate in favor of addressing the issue on appeal.

The situations at the appellate court level in which the interests served by Section 411(a) would outweigh the substantial concerns embodied in the forfeiture rule are likely to be extremely rare. A plaintiff's failure to comply with Section 411(a)'s registration requirement should ordinarily be apparent at the outset of the case, and the district court can dismiss the suit without devoting substantial resources to it. Once a final judgment has been entered and the case has reached the court of appeals, however, the district court has already expended significant resources, and has decided the case (or approved a settlement). Insisting on a rigid application of Section 411(a) on appeal would therefore waste judicial resources in most cases. *Arbaugh*, 546 U.S. at 515. It could also cause substantial injustice in cases in which the work was correctly determined to be copyrightable and the plaintiff prevailed on his copyright infringement claim.[17]

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[17] To the extent that the registration requirement serves to encourage the submission of works that will supplement the Library of Congress's collection, the requirement might be roughly analogized to a district court filing fee. Because such a

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3. Under the circumstances of this case, the inclusion within the plaintiff class of individuals who had not registered their copyrights provides no sound basis for vacatur of the district court's judgment on appeal. An industry-wide settlement is unquestionably in the public interest because it recognizes freelance authors' copyright rights while ensuring the public availability of their works—a key concern of the Copyright Act. See *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 527 (1994) ("[C]opyright law ultimately serves the purpose of enriching the general public through access to creative works."); *New York Times Co. v. Tasini*, 533 U.S. 483, 505 (2001). The parties determined that a global settlement of all possible claims—including those based on currently unregistered works (which could be registered in the future)—was necessary in order to guarantee the availability within the electronic archives of all of the newspaper and magazine contents at issue. The parties then invested substantial time and resources, all of which would be rendered nugatory by enforcement of Section 411(a)'s registration requirement at this late stage.

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fee serves the interests of the United States in its administration of the federal judicial system, its enforcement would not ordinarily depend on any action of the defendant. But if the plaintiff's failure to pay the fee somehow went unnoticed throughout the district court litigation, that failure would not constitute a jurisdictional defect warranting vacatur of the judgment on appeal.

Nor would implementation of a settlement that encompassed unregistered works significantly undermine Section 411(a)'s purposes. The copyrightability of the articles at issue has never been in dispute. See 17 U.S.C. 102(b). Given the nature of the relevant works, moreover, the settlement will not substantially impair the Library of Congress's interest in supplementing its collection. See note 15, *supra*. Enforcing Section 411(a) for the first time on appeal, despite the parties' forfeiture, would waste the resources expended by the parties and court to achieve a comprehensive solution, and also disserve the public interest in electronic access to all of the works at issue here, all without furthering any meaningful countervailing purpose.

Appendix C

CONCLUSION

The judgment of the court of appeals should be vacated and the case remanded for further proceedings.

Respectfully submitted.

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APPENDIX D — SPEECH BY DAVID O. CARSON, GENERAL COUNSEL OF THE UNITED STATES COPYRIGHT OFFICE, GIVEN ON FEBRUARY 3, 2010, IN SAN FRANCISCO, CALIFORNIA

"THE COPYRIGHT OFFICE COMES TO CALIFORNIA":

"CURRENT COPYRIGHT AND LAW POLICY ACTIVITIES OF CONGRESS AND THE COPYRIGHT OFFICE"

BY DAVID O. CARSON,
General Counsel of the
United States Copyright Office

February 3, 2010
San Francisco, California

Current Copyright & Law Policy Activities

MR. CARSON: So we'll start at the top with the Supreme Court. Just a little under a year ago, somewhat to our surprise, the Supreme Court granted a petition for a writ of certiorari in a case known as Reed Elsevier v. Muchnick. Now, this is actually a case that is a follow-up to the Tasini v. New York Times case. But the issue before the Court, strictly speaking, has very little to do with what Tasini was all about. As you can see, the Court told us what it wants the parties to address, which is, does 17 U.S.C. Section 411(a) restrict the subject matter jurisdiction of the federal courts over copyright infringement actions.

Appendix D

Section 411(a), as many of you probably know, provides that, with minor exceptions, no civil action for copyright infringement may be instituted until registration of the copyright claim has been made or until the register has refused to register a copyright. If the register has refused, as you may know, you may still file suit, but you must notify the register. And the register has the opportunity to intervene to defend her decision not to register, and that's usually on the grounds that the register concluded that the work was not subject to copyright protection.

So the Tasini case, you may recall, the Tasini case -- the Supreme Court decided that the unauthorized inclusion of freelance authors' articles in electronic databases, such as the Nexis database, which I'm sure you've all used, that inclusion constitutes copyright infringement. The publishers of newspapers and magazines had argued that they had a right to include them in the database; the database was just another version, a revision, of the original collective works, the magazines or periodicals themselves. The Supreme Court said 'No, that's stretching the notion of a revision far too far. It doesn't work.'

And the result of the Tasini case, the inclusion of articles by freelance writers in databases, such as Nexis and other similar databases, was a copyright infringement. But the Supreme Court suggested that that doesn't necessarily mean that all this stuff would have to be pulled out of those databases. The fact that you have a right -- an exclusive right to the stuff doesn't

mean that you necessarily have to assert it in such a manner that the databases can't continue to include them. And the Court encouraged the parties to perhaps settle the matter, suggested perhaps legislation, and wasn't going to be deterred by what it recognized as a potentially adverse result for society, because these databases would no longer have all this material, which meant that, in effect, much of it would not be very accessible to the public, but sort of left it for the parties to sort out down the road and expressed some degree of confidence that the parties would be able to do so. And indeed the parties thought they figured out a way how to do that.

There were actually four class action suits filed by authors against the publishers and database providers. I think at least some of them, maybe all of them, had already been pending while Tasini was pending, but were stayed until the Supreme Court issued its decision, and ultimately they were settled. And when they were settled, the basic structure of the settlement was that these articles could remain in the databases, but the authors would be compensated. The compensation was set up with three tiers or three categories of class members whose compensation depended upon which category they were in. Category A, which was the category that got probably the lion's share of the funds, Category A consists of claims concerning copyrights that have been registered prior to any infringement. Small minority, most likely, of the articles that appear in periodicals, newspapers and so on. The reason that these got most of the compensation was that if these parties has in fact

filed individual lawsuits, the people who had registered prior to infringement would most likely have received a much higher recovery, all other things being equal, because the fact that the copyrights were registered prior to the infringement meant that they would be entitled to awards of statutory damages.

And as you'll hear a little bit down the road or be reminded a little bit down the road, the ability to receive statutory damages can be quite a boon to a copyright owner who may not be able to prove substantial actual damages. And they're also eligible to seek an award of attorneys' fees, which you're not able to do if you're the copyright infringement plaintiff who has not registered the work prior to infringement. So that's Category A.

Category B was copyrights that were registered after the infringing reproduction commenced but before December 31st, 2002. I don't recall the precise significance of that date, but it was certainly a significant date in terms of the litigation, and what it was clearly keyed to was the notion that you couldn't get into court unless you had had a registration prior to the initiation of the lawsuit. So people in that category would have been able to obtain an award of damages, but only actual damages, not statutory damages, not attorneys' fees. So they were going to get a smaller portion of the award.

And finally there was Category C, claims -- well, copyrights -- works whose copyrights had never been registered. Those folks, had they not been part of a class but had they filed suit on their own, would have been

thrown out of court because they had no copyright registration. And as you saw with Section 411(a), unless your work was not a United States work or unless you were making a claim under Section 106(a), which none of these were, registration would have been a prerequisite to filing suit. Those folks would not have received much, if anything, out of the settlement. Those folks, understandably, were not terribly happy. They objected to the settlement, but the district court granted approval.

So the Category C claimants appealed the decision to the Second Circuit. The Second Circuit went off in a direction that nobody had anticipated and, it's probably fair to say, nobody wanted. And rather than evaluate whether the settlement was fair and reasonable, and to properly allocate the award or the amount of money that the defendants agreed to pay, the Court asked the question 'Wait a minute, do we even have jurisdiction to address these claims?' That was called In re Literary Works in Electronic Databases Copyright Litigation, back in 2007. And the Second Circuit said 'Well, we know an action for copyright infringement in a U.S. work cannot be instituted until registration has been made or refused, and we know that that restricts the subject matter jurisdiction of the federal courts. Why do we know that? Well, dozens of cases from dozens of courts have said that Section 411(a) is jurisdictional, and we've said it before and we agree that it is.' Well, if it's jurisdictional, the case couldn't have been brought on behalf of these claimants. So because in fact the overwhelming majority of the claims within this certified

class arose from infringement of unregistered copyrights, the district court lacked jurisdiction over the matter; case dismissed.

Well, a petition for cert was filed. None of the parties opposed it. In fact, all the parties supported it. And as you saw, almost a year ago the Supreme Court granted cert.

Once that happened, we sort of got engaged. We care any time the Supreme Court takes a case. But when it takes a case involving Section 411(a), we really care, because that sort of strikes home. We have almost 500 employees, the majority of whom are involved in registration of copyrights. We happen to believe that copyright registration is a good thing, that it serves all sorts of good purposes, that I'll get to in a moment. And we'd always assumed that Section 411(a) is jurisdictional. And we always thought that's great. We want it to be jurisdiction. We have three incentives for registration in the Copyright Act: One is Section 411(a); one is Section 412, which is the provision I alluded to a moment ago that permits awards of statutory damages and attorneys' fees to plaintiffs only if they have registered prior to the commencement of infringement; and finally Section 410(c) which says the certificate of registration is prima facie evidence of the facts stated on the certificate and prima facie evidence of the validity of the copyright.

So we actually like 411(a) and we wouldn't like to see the requirement watered down. Well, heck, why should it

be watered down? As I mentioned a moment ago, every case that's talked about it has said 411(a) is jurisdictional. Well, when we talked to the folks in the Solicitor General's Office, we got an education in what a jurisdictional statute is. And although most cases construing Section 411(a) say it's jurisdictional, if you want to ask what their analysis is, you've just heard it. They say it's jurisdictional. They don't analyze it. They don't really offer any reasons. They just take it as a given. And each court that says it can cite a number of prior cases that have said the same thing, so it seems to be a self-perpetuating notion.

However, the Supreme Court has quite a bit of case law in the past decade or two on what is or is not a jurisdictional statute. And this might be a bit of an oversimplification, but it's the best I can do because I'm not an expert in this area. Essentially, if a statute is going to be jurisdictional, if a statute that lays out a requirement for filing or maintaining a suit is going to be considered to establish whether the federal courts have subject matter jurisdiction, the statute pretty much has to say that it's jurisdictional. Well, Section 411(a) doesn't say it's jurisdictional. The word "jurisdiction" isn't in there. And while it's a bit of an oversimplification, if the word "jurisdiction" -- or "jurisdictional" isn't in the statute, then it's probably not jurisdictional.

And the Justice Department has weighed in on this issue, not in the copyright context surely but in all other kinds of contexts. So the Justice Department already

had sort of an institutional position on what a jurisdictional statute is, and that position wasn't exactly consistent with what we would have liked to say about Section 411(a). So we had a problem.

Given those constraints, the Solicitor General filed what we thought was a pretty good brief with the Supreme Court. It did say, not to our surprise, that 411(a) is not jurisdictional, for the reasons I already mentioned: doesn't speak in jurisdictional terms; doesn't refer to the district court's jurisdiction. Moreover, there are separate statutes that set forth the federal court's jurisdiction in copyright cases -- Section 1331, which is the general federal question jurisdiction; and Section 1338(a) of Title 28 -- and they say nothing about copyright registration. So, fine, it's not jurisdictional.

But does that mean Section 411(a) is meaningless? Does that mean that if the defendant decides not to raise Section 411(a) in a case where the plaintiff does not have a registration that that's the end of the matter and the case can proceed because the defendant has waived the jurisdictional defense? Well, the brief filed by the United States said 'Not so fast. Not necessarily. Registration is an important requirement. It's not there just for the benefit of the defendant or even primarily for the benefit of the defendant. It serves a number of important purposes. First of all, registration is a major source of the acquisitions of the Library of Congress. More than one million works per year are transferred to the Library of Congress from the Copyright Office. And while we don't really know, because we've never been in

this situation, one can well -- well, I was going to say "well imagine" but that's probably too weak a word -- one would expect that, without the incentive of registration, the ability of the Copyright Office to funnel those works to the Library, or, more importantly, the ability of the Library to acquire those works without actually having to pay for them, which would bust our budget, that would be significantly weakened and, as a result, the collections of the Library of Congress would suffer significantly.

And for, I don't know, a century and a half almost, it's been pretty much a given, and it's been a major part of our copyright and -- more than our copyright, I guess, policy that the copyright registration system is there in large part as a source of acquisitions for the Library of Congress, because we want the Library of Congress to be the institution that it is, which has the greatest collection ever amassed of works of authorship in the world, and we hope that continue be the case.

Secondly, the brief said, registration creates a public record of copyright claims, and that is very important. Those of you who paid attention to the orphan works issue recognized that to the extent that copyright registration can tell you who the owner is and where the owner is, that resolved the orphan works problem. Now, it's not so simple. It's not so simple in part because not everyone does register, despite the incentives in the law to register. It's also not perfect, because if somebody registered forty years ago or more, or less, and gave us their address, there's no assurance that that person

today is alive, that that person today is at the same address, or that that person today is still the copyright owner.

So -- and in part, as we have weakened our formalities, for example, in order to comply with the requirements of the Berne Convention, some of the provisions we had, which were designed to keep that record up to date, have gone by the wayside. But nevertheless, registration is an important element of having a public record of copyright ownership, and indeed of copyright claims, to know that someone is asserting ownership, asserting that a work is protected by copyright.

And, finally, the other important service, if you will, of registration is that it gives the court the benefit of the Copyright Office's expertise regarding registrability, and narrows the issues for litigation. Now, I don't want to overstate that, but I don't want to understate it. Every copyright registration application that comes into the Copyright Office is accompanied by a deposit of the actual work; that is in fact how the Library gets all those volumes and all those films and all the sound recordings and so on. And every deposit is examined.

Now, I don't want to overstate what's involved in that examination. If we get a book, you know, 200 pages of printed text, the examiner -- it's going to take a few seconds, frankly, for the examiner to conclude 'All right, this is copyrightable.' I mean, unless the examiner

immediately recognizes that it's a copy of, you know, all of the volumes of Shakespeare's plays and nothing more, the examiner's going to say 'All right, I can see there's enough original authorship here, original under the Feist standard, that it meets the requirement.'

But there are cases, and it's, I don't know, what is it, one to two percent maybe, where --

MS. PETERS: Less.

MR. CARSON: -- we refuse registration. Even less.

MS. PETERS: We refuse as -- under copyrightability --

MR. CARSON: Well, yeah. Yeah.

We also will refuse just because you haven't filled out the form right, you've not given us the right information, and so on. It's a very small percentage but, nevertheless, a real percentage of cases where, when we look at the work, it seems pretty clear to us that it is not copyrightable. I think the highest percentage of that would be in the area of visual arts; those are certainly the ones that usually come to us at the appellate level within the office. And you look at some of these things and you really have to say 'They really think this is copyrightable?' And surprisingly or not, a lot of those are the claims that end up going to court.

And there's something to be said for having the Copyright Office take a first pass at that and say 'Wait a minute, that's not copyrightable. We're not going to give you a certificate of registration.' As I said earlier, that doesn't bar you from court. You can still go to court. But the fact that registration has been refused is something that is going to be noted by the judge, and that does play an important role.

And back in 1988 when we were implementing the Berne Convention and when there was a question whether to throw out the registration requirement in its entirety, there was a letter from the Judicial Conference of the United States to the House Judiciary Committee, saying 'Please don't get rid of that requirement. We actually do rely upon the Copyright Office's decision in these areas. And it would increase our workload significantly if we didn't have this first pass by the Copyright Office on the issue of copyrightability.'

Now, nobody pretends that our judgments in this matter are definitive. The court still has to make its own judgment. But it helps for the court to know where we came out. And it also, frankly, helps the putative plaintiff, the putative copyright owner, to sort of think 'All right, do I really want to bother filing a suit for infringement of this copyright when the Copyright Office has already decided it's not copyrightable? I've probably got an uphill battle.' And while we have no statistics on this, it's likely, we think, that there are many cases that never get filed because of that.

So those are what we think are the benefits of registration, and that is what the Justice Department told the Supreme Court in its brief.

The brief also said while registration is not jurisdictional, it is a mandatory prerequisite, and it's one the district courts ordinarily should reinforce, and they should enforce it sua sponte. In other words, if the defendant doesn't raise it, that shouldn't be the end of the matter; the district court should raise it on its own, and ordinarily should dismiss the case if there hasn't been a registration. And, again, as I already outlined, that's because the registration requirement serves important public and governmental interests, not just the interests of the defendant. The statute does speak in mandatory terms; it says no action shall be instituted until registration has been made. So you have to give that some meaning. And therefore it shouldn't be something that should be waivable by the defendant.

But a line has to be drawn somewhere. And keep in mind, in this case the district court did not even consider jurisdiction. In part, it didn't consider jurisdiction because nobody ever brought it to the Court's attention; they just brought a settlement to the district court, and the district court was happy after it looked at the settlement to say 'Okay, fine. Judgment entered.'

Where the line was drawn by the Justice Department in this brief was a place that I think is reasonable, which is, if for whatever reason the district court has not enforced the requirement and you have

proceeded to judgment, then that should be the end of the matter; you shouldn't be raising subject matter jurisdiction ordinarily at the Court of Appeals, the record has been closed, why send it back and start all over. Ordinarily you don't address new issues after the record has been closed. And basically district courts ordinarily will not look at issues other than subject matter jurisdiction if those issues weren't raised in the district court.

So that's basically where the Justice Department suggested that the line be drawn, although it acknowledged that there might be certain cases where one, even a Court of Appeals, might want to raise and resolve that issue.

So, getting to the facts of the particular case in front of it, the Justice Department said this class action settlement should not have been dismissed by the Court of Appeals. First of all, the Department said the industrywide settlement in this particular case was in the public interest, it kept all the stuff available to the public, which otherwise would have been removed from the Nexis databases. It did also compensate the authors of those articles for their inclusion in the databases. So it was a good deal for everyone and for the public. Moreover, the parties have invested substantial time and resources in settling the claims. And, finally, dismissal would not serve the purposes of Section 411(a) in this particular case. The Library's need for the articles was already taken care of. The Library of Congress does not demand deposits of articles in

newspapers, so it can keep those articles in its collections. It wants the newspapers, it wants the magazines, and by and large they are deposited with the Library, usually through registration, and if not through registration, then, because the Library has the right to demand it, under mandatory deposit under Section 407 of the Copyright Act. Moreover, nobody was disputing, or conceivably could dispute, that the articles themselves in this case were or weren't copyrightable, so there was no real reason the Copyright Office had to pass on that issue in the first place. So in this particular case, it made no sense for the Second Circuit to dismiss the case for lack of jurisdiction.

And, finally, what from our own proprietary point of view is perhaps the most important part of the brief, which had arguably nothing to do with what was before the Court, and you probably can't read it here but it's in your written materials, footnote 14, which expressed a point of view on an issue on which the courts are split, inexplicably split in my view -- well, I could offer some reasons why they may be split, but they have nothing to do with how you read the statute -- some courts read Section 411(a) as simply requiring that you submit your application fee and deposit with the Copyright Office and, the moment you have done that, you are entitled to file suit for copyright infringement.

Now, if you go back to Section 411(a), it says "No civil action for infringement of a copyright in any U.S. work shall be instituted until registration of the copyright claim has been made in accordance with this

title." I don't think registration is made when you submit the application fee and deposit to the Copyright Office. Registration is made when the Office issues the certificate, when the Office makes its judgment that 'Okay, we're registering it.' The statute goes on, by the way, to say "or if registration has been refused". So that certainly suggests a decision by the Office.

But as I mentioned, some courts have actually said 'Well, as long as you've done everything you need to do to put it in front of the Copyright Office, you've met that requirement.' Other courts actually read the statute and say 'No, registration has to actually be made.'

So the brief takes a position on that in the hope that the court will take notice and perhaps in what would presumably be dicta or perhaps just at the beginning of the opinion; when it sort of sets the scene, the court will explain this and set certain people straight.

So what it says is Section 411(a) requires a plaintiff to possess a registration certificate to have been refused registration or to have preregistered at the time the suit is commenced. Although some courts have held that Section 411(a)'s precondition to suit is satisfied by simply filing an application for registration, those decisions are contrary to Section 411(a)'s plain text and therefore incorrect. Section 411(a) unambiguously states that registration must have been made in accordance with this title, that is, granted by the Copyright Office, before a suit may be filed. And although 411(a) allows the putative copyright owner to sue even if his

registration application is denied, the statute clearly contemplates that the plaintiff will commence the suit only after the Copyright Office has acted on the application.

And it goes on a little bit more.

So that's a position taken in the brief, one that we felt very strongly about.

(End of audio)

APPENDIX E — UNITED STATES COPYRIGHT OFFICE CIRCULAR 10

CIRCULAR 10

COPYRIGHT
United States Copyright Office

SPECIAL HANDLING

Special handling is the expedited processing of an online or paper application for registration of a claim to copyright or for the recordation of a document pertaining to copyright. It is granted in certain circumstances to those who have compelling reasons for this service. It is subject to the approval of the chief of the Receipt Analysis and Control Division, who must consider the workload of the Copyright Office at the time the request is made.

When Is Special Handling Granted?

Special handling is granted only in the following specific circumstances:

- pending or prospective litigation
- customs matters, or
- contract or publishing deadlines that necessitate the expedited issuance of a certificate

Special handling is not available for requests to reconsider a refusal to register.

Appendix E

Processing Time for Special Handling Cases

Once a request for special handling is received and approved, every attempt is made to process the claim or recordation within five working days. However, no guarantee is made that the work can be processed within this time. If correspondence is required, the Office makes every effort to process the claim expeditiously after the reply is received. Once a claim is processed, the Office either issues the certificate of registration or notifies the applicant of any defect in the claim. In the case of a document, the document is returned with a certificate of recordation.

Please note that the electronic record of a registration or recordation may not be immediately available.

To Expedite Processing, Register Online

The preferred way to register basic claims for literary works; visual arts works; performing arts works, including motion pictures; sound recordings; and single serials is online through the electronic Copyright Office (eCO) at *www.copyright.gov*.

The advantages of online filing include a lower filing fee; fastest processing time; online status tracking; secure payment by credit or debit card, electronic check, or Copyright Office deposit account; and the ability to upload certain categories of deposits directly into eCO as electronic files.

Appendix E

*** Note: You can still register using eCO even if you will submit a hard-copy deposit, which is required under the mandatory deposit requirements for most published works. The system will prompt you to specify whether you intend to submit an electronic or a hard-copy deposit, and it will provide instructions accordingly.**

Special Handling Fee

Special handling of a registration requires a special handling fee in addition to the registration fee. Likewise, special handling for recording a document(s) requires a special handling fee in addition to the fee for recording the document(s). The fee may be charged to a deposit account established in the Copyright Office or may be paid by check or money order. The fee may also be paid in cash or by credit card if it is paid in person at the Copyright Office. If a check is returned for insufficient funds, the registration or recordation will be canceled. Filing fees remitted to the Copyright Office for special handling will not be refunded, whether or not the certificate of registration is ultimately issued. To cover administrative and processing costs, fees received in conjunction with requests for services may not be refunded even when the services cannot be provided.

Note: Copyright Office fees are subject to change. For current fees, please check the Copyright Office website at *www.copyright.gov*, write the Copyright Office, or call (202) 707-3000.

About paying the fee: Drafts (checks) must be redeemable without a service or exchange fee through

a U.S. institution, must be payable in U.S. dollars, and must be imprinted with American Banking Association routing numbers. International money orders and foreign postal money orders that are negotiable only at a post office are not accepted. Deposit accounts must contain sufficient funds. If a replenishment check accompanies a claim, processing cannot begin until the money has been posted to the deposit account.

Conversion of Checks

Checks and money orders presented in payment for Copyright Office services will be converted into an electronic funds transfer (ETF). This means the Copyright Office will copy your check and use the account information on it to debit your account electronically for the amount of the check. The debit from your account will usually occur within 24 hours of processing and will be shown on your regular account statement.

You will not receive your original check back. The Office will destroy your original check but will keep an electronic copy of it. If the EFT cannot be processed for technical reasons, the Office will reprocess a paper copy of your original check. If the EFT cannot be completed because of insufficient funds, your service request will not be processed.

Appendix E

Multiple Claims with One Deposit

Special handling fees differ only with the following exception: if special handling is requested for only one of several claims submitted at the same time with a single deposit, which is an acceptable deposit for all the claims, there will be an additional fee for each claim using the same deposit. This fee will be added to the fee charged for regular handling, plus the filing fee for each claim. The claim for which special handling is requested is processed for the special handling fee plus the filing fee. The other claims sharing the deposit do *not* get special handling.

This narrow exception applies only where a single set of deposit copies may appropriately be submitted to register multiple claims in accordance with the practices of the Copyright Office. The applicant is given the option of submitting an additional set of copies for the other applications to avoid assessment of the special fee.

Special Handling Fee Suspended in Certain Cases

Because of current delays in the processing of applications for registration due to the Office's implementation of its business process reengineering program, the Office has determined that the special handling fee, which is in addition to the regular fee for an application to register a copyright claim, will not be assessed for conversion of a pending application to special handling status when the application has been pending for more than six months without any action

by the Copyright Office and the applicant has satisfied the Office that expedited handling is needed because the applicant is about to file a suit for copyright infringement. This interim rule will expire on July 1, 2011.

How to Request Special Handling

Special handling may be requested online, in person, or by mail. The Copyright Office has a form that applicants who come to the Office are asked to fill out indicating the need for special handling. Applicants by mail must provide a letter stating why there is an urgent need for special handling. The urgent need must fall within one of the three previously mentioned categories. The request must also include a signed statement certifying that the information contained in the request is correct to the best of the requestor's knowledge.

The request form or letter must also be accompanied by the following:

- the appropriate application form for registration or the document that is to be recorded
- the required deposit copies, phonorecords, or identifying material
- the nonrefundable filing fee or recordation fee, and
- the special handling fee

Appendix E

Special handling procedures may be applied to cases pending in the Copyright Office, provided the previously mentioned criteria are met.

Online Request

The eCO online system allows you to include a request for special handling and either to upload a digital copy or mail in a hard copy to the special handling address below.

In-Person Request

To request special handling in person, a private party should come to the Public Information Office of the Copyright Office, Library of Congress, 101 Independence Avenue SE, Washington, DC, between the hours of 8:30 AM to 5:00 PM, eastern time, Monday through Friday, except federal holidays. *Do not use this address for special handling correspondence. Requests hand-delivered to the Public Information Office must be clearly labeled "Special Handling."*

Courier-Delivered Request

Courier deliveries are made to the Congressional Courier Acceptance Site located at 2nd and D Streets NE, Washington, DC, Monday through Friday between 8:30 AM to 5:00 PM. Items left at the Congressional Courier Acceptance Site are generally delivered to the Copyright Office the next morning. It is important that packages left at the Congressional Courier Acceptance

Site be no larger than 12" x 18" x 4" in size. Larger packages will experience a significant delay.

Mail-in Request

If you mail a special handling request, *we strongly encourage you* to use the following address:

Special Handling
Copyright RAC Division
PO Box 71380
Washington, DC 20024-1380

Note: This is a U.S. Postal Service mailbox. Delivery to this address should be by way of the U.S. Postal Service (registered or certified mail if tracking capability is desired), rather than by a private carrier.

Because this mail is delivered via the Congressional Courier Acceptance Site, items mailed to this address must not exceed 12" x 18" x 4" in size. Packages exceeding these dimensions may be sent to the following address:

Special Handling
Department 100
Washington, DC 20540

However, the Office strongly suggests they be delivered in person.

Appendix E

Requests for Claim Already in the Copyright Office

To request special handling for an online or paper claim that is already in the Copyright Office, it is strongly recommended that you call ahead to be sure the Office can locate your materials. Call the Receipt Analysis and Control Division at 202-707-7700 or email *mcs@loc.gov.* Be ready to provide identifying information about the pending claim, including:

- the exact title appearing on the application
- the names of the author(s) and claimant(s)
- a full description of the deposit copy or copies
- how and when the claim was delivered to the Copyright Office (in person, by courier, or by mail)
- if sent by mail, the type of mailing (registered, certified, first class, etc.)

Certified Copy of a Deposit

If you need a certified copy of a deposit, include the request for certification, the certification fee, and the minimum copying fee together at the time you request special handling. Submit all these items together in one package. This will facilitate the certification process and avoid payment of certain fees at a later date. The certified copy will be mailed under separate cover. See Circular 6, *Obtaining Access to and Copies of Copyright Records and Deposits,* for additional information on requesting a certified copy of a deposit.

Appendix E

Effective Date of Registration

When the Copyright Office issues a registration certificate, it assigns as the effective date of registration the date it received all the required elements—an application, a nonrefundable filing fee, and a nonreturnable deposit—in acceptable form, regardless of how long it took to process the application and mail the certificate. You do not have to receive your certificate before you publish or produce your work, nor do you need permission from the Copyright Office to place a copyright notice on your work. However, the Copyright Office must have acted on your application before you can file a suit for copyright infringement, and certain remedies, such as statutory damages and attorney's fees, are available only for acts of infringement that occurred after the effective date of registration. If a published work was infringed before the effective date of registration, those remedies may be available if the effective date of registration is within three months after the first publication of the work.

For Further Information

By Internet

Circulars, announcements, regulations, other related materials, and certain copyright application forms are available from the Copyright Office website at *www.copyright.gov.* To send an email communication, click on *Contact Us* at the bottom of the homepage.

Appendix E

By Telephone

For general information about copyright, call the Copyright Public Information Office at (202) 707-3000. Staff members are on duty from 8:30 AM to 5:00 PM, eastern time, Monday through Friday, except federal holidays. Recorded information is available 24 hours a day. Or, if you know which application forms and information circulars you want, request them 24 hours a day from the Forms and Publications Hotline at (202) 707-9100. Leave a recorded message.

By Regular Mail

Write to:

Library of Congress
Copyright Office-COPUBS
101 Independence Avenue SE
Washington, DC 20559-6304

173 (2)

No. 10-268

IN THE

Supreme Court of the United States

IAC/INTERACTIVECORP, a Delaware corporation; HOME SHOPPING NETWORK, a Delaware corporation; HSN LP, a Delaware limited partnership; HSN GENERAL PARTNER LLC, a Delaware limited liability company,
Petitioners,

v.

COSMETIC IDEAS, INC., a California corporation doing business as SWEET ROMANCE JEWELRY MANUFACTURING,
Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

RESPONDENT'S BRIEF IN OPPOSITION

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CORPORATE DISCLOSURE STATEMENT

Pursuant to Rule 29.6, Respondent Cosmetic Ideas, Inc. notes that it has no corporate parent or publicly held company owning 10% or more of the corporation's stock.

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SUPREME COURT RULES

Rule 10 2

REASONS WHY THE COURT SHOULD DENY THE PETITION

The Court should deny the petition for three principal reasons: (1) the underlying action has been dismissed, so there is no longer a case or controversy; (2) the split among circuits alone is not sufficient reason to grant the petition; and (3) in the last term, the Court decided another case concerning the statute at issue, which while not dispositive of the precise question presented, offers more than ample guidance on the resolution of this issue by the circuit courts of appeals, including the circuit court below, which followed that precedent.

1. THERE IS NO CASE OR CONTROVERSY REMAINING, AND HENCE NO SUBJECT MATTER JURISDICTION

On September 15, 2010, the district court entered an order dismissing the action, following a settlement of the underlying dispute. The parties expect to file a stipulation with the district court, making the dismissal with prejudice.

The case is moot. There thus is no case or controversy remaining, and therefore no subject matter jurisdiction. U.S. CONST. Art. III, § 2, Cl. 1. A case must exist at all the stages of appellate review. Preiser v. Newkirk, 422 U.S. 395, 401 (1975); Mills v. Green, 159 U.S. 651, 653 (1895). At this stage, no case exists.

2.
THE SPLIT AMONG CIRCUITS IS NOT SUFFICIENT GROUNDS FOR GRANTING THE PETITION

Rule 10 of this court specifically states that the reasons enumerated in paragraphs (a) through (c)—such as if a United States court of appeals has entered a decision in conflict with the decision of another United States Court of appeals—indicate the character of the reasons the Court considers, "although neither controlling nor fully measuring the Court's discretion."

The present statute, section 411(a) of the Copyright Act, 17 U.S.C. § 411(a), was enacted in 1976, and went into effect in 1978. The predecessor statute, section 13 of the Copyright Act of 1909, was similar, ending with this sentence: "No action or proceeding shall be maintained for infringement of copyright in any work until the provisions of [Title 17 of the United States Code] with respect to the deposit of copies and registration of such work shall have been complied with."

The Ninth Circuit had earlier decided the issue of satisfaction of the Copyright Act's registration requirement, Roth Greeting Cards v. United Card Co., 429 F.2d 1106 (9th Cir. 1970), but that precedent was not controlling on the matter, because it was interpreting the applicable provision of the 1909 Act, which differed from that in the 1976 Act.

The decision of the court of appeals below, Cosmetic Ideas, Inc. v. IAC/InterActiveCorp., 606 F.3d 616 (9th Cir. 2010), nevertheless came to the same conclusion, namely, that receipt of the copyright registration application materials (form, fee, and

deposit copy or copies) by the Register of Copyrights is sufficient. This has been termed the "broad" or "application" approach, in contrast to the "narrow" or "registration" approach.

But even before there was a split among circuits between the former (e.g., Apple Barrel Prods. v. Beard, 730 F.2d 384, 387 (5th Cir. 1984)), and the latter (e.g., La Resolana Architects, PA v. Clay Realtors Angel Fire, 416 F.3d 1195, 1197-98 (10th Cir. 2005)) under section 411(a) of the 1976 Act, there had been a split of authority under section 13 of the 1909 Act as well. For while the Ninth Circuit in Roth Greeting Cards held that "[i]f these steps have been properly performed it is the duty of the Register of Copyrights to issue a certificate of registration under the seal of the copyright office," in Vacheron & Constantin-le Coultre Watches, Inc. v. Benrus Watch Co., Inc., 260 F.2d 637 (2d Cir. 1958), it was the dissenting opinion of the Chief Judge that held "[n]ote that 17 U.S.C. 13 says nothing about the necessity for purposes of suit of this certificate, so fully described in purpose and effect in 209. The whole implication throughout is that the Register must carry out the provisions of the law and has no judicial or discretionary functions."

The two appellate decisions which adopted different approaches to the issue of registration as a condition precedent to instituting an action under the 1909 Act were decided 12 years apart, and the apparent split in authority continued until at least the enactment of the successor statute eight years later, and the copyright bar survived. The case below is moot. Petitioners argue that "[t]he basic nature of this Circuit schism makes it unlikely that it can be resolved without inervention by this Court." That is not true. It

simply would take another district court following the "narrow" or "registration" approach of another court of appeals for a test case to determine whether those precedents have any further validity. The decision by the court of appeals in this action demonstrates that its reasoning properly follows the decisions of this Court.

3.
A RECENT RULING BY THIS COURT LEAVES NO DOUBT THAT THE NINTH CIRCUIT DID NOT ERR

Last term, this court decided another case concerning section 411(a) of the Copyright Act, Reed Elsevier, 559 U.S. __, (2010). After the court of appeals had heard oral argument of the appeal in this action, the appeal was withdrawn from submission, because the following day this Court had heard oral argument in Reed Elsevier. The court of appeals ordered counsel to submit simultaneous supplement briefs, limited to 10 pages, within 30 days of this Court's decision in Reed Elsevier advising the court of the effect, if any, of that decision on this case.

Although the unanimous decision in Reed Elsevier specifically declined to decide the issue presented by this case, because it was not before the Court, the Court's reasoning was equally applicable. The court of appeals simply followed the logic of Reed Elsevier, which in turn followed a precedent in a non-copyright case, Arbaugh v. Y & H Corp., 546 U.S. 500, 515-16 (2006).

4.
THE SPLIT AMONG CIRCUITS HAS NO APPRECIABLE EFFECT ON THE OPERATIONS OF THE COPYRIGHT OFFICE

In support of their contention that the United States government should be heard on an issue that will significantly impact the role of the Copyright Office, petitioners include as Appendix D remarks made by the General Counsel of the Copyright Office. Close examination of those remarks reveals that they do not support petitioners' argument.

As a preliminary matter, those remarks were made on February 3, 2010, before this Court decided Reed Elsevier. Mr. Carson addresses three benefits of the copyright examination and registration system. As to the first two of these, augmenting the collection of the Library of Congress and creating a public record of claims, it does not matter whether in a particular jurisdiction, the courts apply the registration or application approach; either way, plaintiffs submit deposit copies and the necessary information.

As to the third benefit, examination of the application, the number of instances in which copyright registration is denied is small—less than one or two percent—and not all of that small fraction is attributable to uncopyrightatble subject matter. Also, the Register's opinion is not conclusive. So obtaining an advisory opinion in less than one or two percent of instances—a number further reduced by the fact that only a fraction of copyrights are ever litigated at all—does not constitute a "significant" impact on the Copyright Office's role. The main benefits of the registration system are achieved under either

approach. Whatever benefit the registration approach has over the application approach, it is minimal at best.

CONCLUSION

There is no reason to review the Ninth Circuit's decision, when the case is moot, the decision below correct, and the split among circuits is not sufficiently important.

October 21, 2010

Respectfully submitted,

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